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TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1986

SEPTEMBER 9, 1985.—Ordered to be printed

Mr. ABDNOR, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 3036]

The Committee on Appropriations, to which was referred the bill (H.R. 3036) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1986, and for other purposes, reports to the Senate with various amendments, and presents herewith information relative to the changes recommended.

Amount of bill as passed by House	$13,237,868,125
Amount of decrease by Senate	−237,567,125
Amount of bill as reported to the Senate	12,990,301,000
Amount of estimate	12,211,347,000
The bill as reported to the Senate:	
Below the appropriations provided in 1985	−85,227,000
Over the estimates for 1986	+778,954,000
Below the House bill	−237,567,125

S183-9

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General Statement and Summary of the Bill

The accompanying bill contains recommendations for new budget (obligational) authority for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies.

The Committee considered budget estimates for fiscal year 1986 in the gross amount of $12,211,347,000. Compared to that amount the accompanying bill recommends new budget authority totaling $12,990,301,000, which is $778,954,000 more than the amount requested by the administration.

REPROGRAMMINGS

The departments and agencies funded by this act are directed to comply with the reprogramming guidance printed below.

The guidance applies to those actions which represent a significant shift in program direction resulting in changes in the distribution of resources as presented to and approved by the Congress. Effective with the date of enactment of this bill the approval of the House and Senate Committees on Appropriations shall be required for any such action when the amount involved is in excess of $500,000, or 10 percent, whichever is greater, in any object class, budget activity, program line,

or program activity. Lesser amounts will also require reprogramming approval if it is clear that such an action would result in a major change contrary to the program presented to and approved by the Congress or if the cumulative effect of past reprogramming actions and a specific new action under consideration would have the effect of exceeding the dollar limitation discussed above.

Requests for approval of reprogrammings will be submitted to the Office of Management and Budget and the Appropriations Committees but no action shall be taken by the agency until the request has been approved by both the House and Senate Committees on Appropriations.

These instructions apply only to funds included in appropriations accounts and the Federal Buildings Fund. It excludes revolving funds since revolving fund programs are generally based on demands from external sources and changes to them do not represent a conscious change in program emphasis—the basic reason for requesting approval for reprogramming.

The justifications for proposed reprogramming actions need to be clear and as strongly supportive as the original budget request. Except in extraordinary circumstances reprogramming proposals will not be accepted with less than 45 days left in the fiscal year nor will they be accepted for actions to reverse previous congressional actions.

TRANSFER OF FUNDS BETWEEN APPROPRIATION ACCOUNTS

The administration has requested limited authority for the Secretary of the Treasury and the Administrator of the General Services Administration to transfer funds between appropriation accounts. For the Secretary of the Treasury, a 5-percent transfer authority is being requested, while the Administrator of GSA is requesting authority to transfer up to 3 percent between appropriation accounts.

The Committee has approved the request of the Department that they be granted authority to transfer up to 2 percent between appropriations accounts, but only upon prior approval of the respective Committees on Appropriations. The Committee has recommended that the Administrator of the General Services Administration be allowed to transfer up to 1 percent between appropriation accounts during fiscal year 1986, but, again, only in emergency situations when the need for such transfer is unforeseen and absolutely critical to the mission supported by the affected appropriation account, and only after the Administrator has received the express approval of both the House and Senate Committees on Appropriations.

The Committee is concerned that in the past even such limited transfer authority has been abused and often used by the agencies for reorganizations that have major policy implications. Such transfers are interpreted by the Committee as circumventing the appropriations process and will not be tolerated in the future. Nevertheless, the Committee acknowledges that circumstances do arise during the course of a year whereby a shift of small amounts of money from one account to an-

other at Treasury and GSA could make a significant difference in the agency's ability to address unforeseen contingencies. Therefore, the Committee has granted limited transfer authority for fiscal year 1986 as outlined above.

COMMITTEE PROCEDURES REGARDING REPORT LANGUAGE

Any limitation, directive, or earmarking contained in either the House or Senate report, which is not contradicted by the other report nor specifically denied in the conference report, shall be considered as having been approved by both Houses of Congress.

TOTAL FUNDING FOR TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT PROGRAMS

In addition to the new obligational authority recommended in the accompanying bill, additional significant sums are made available each year for these same agencies under permanent authority which do not require consideration by the Congress during the annual appropriations process. The principal items in this category include payment of interest on the public debt which alone is anticipated to reach $170,000,000,000 for fiscal year 1986; interest on Internal Revenue Service refunds of income tax payments; payment of some claims and judgments; payments in connection with the Civil Service Retirement and Disability Fund; and payment to Puerto Rico for internal revenue and customs collections. It is estimated that the fiscal year 1986 requirement for these funds will exceed the fiscal year 1985 amount by approximately $21,000,000,000.

In addition to the agencies whose funds are derived from direct appropriations, there are other agencies that operate under authorities which exempt them from congressional review, in whole or in part, during the annual appropriations process or, as a matter of fact, from any other regular oversight by the Congress. For example, the U.S. Postal Service, under the Postal Reorganization Act, is authorized to use all of its income from postage and services for its own purposes and to request an appropriation from the Congress for certain subsidies. Therefore, only the amount of the subsidy requirement is regularly reviewed by the Congress. In the Treasury Department, the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by national banks, is exempt from congressional review, because such assessments are not construed under law to be Government funds.

FISCAL YEAR 1986 ESTIMATES

The figures included in this report reflect the President's amended budget request. This request restores funds for personnel costs which were reduced by 5 percent in the original budget submission.

The House bill was reported prior to receipt of the amendment. The House appropriation proposals do not, therefore, reflect the amended budget request. The reported bill provides the full pay increase for the

Federal Law Enforcement Training Center, the Bureau of Alcohol, Tobacco and Firearms, the U.S. Customs Service, and the U.S. Secret Service. The bill also provides approximately 50 percent of full restoration for the Internal Revenue Service. All of the other discretionary accounts are to absorb the pay figure.

GENERAL REDUCTION IN HOUSE BILL

The House provided a provision (section 617) which reduces all of the discretionary accounts in this bill by 2.65 percent except for the Federal Law Enforcement Training Center, the Bureau of Alcohol, Tobacco and Firearms, the U.S. Customs Service, the U.S. Secret Service, and the U.S. Postal Service. These savings are not reflected by account, but as a total reduction totaling $35,250,475.

TITLE I—DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

1985 appropriation to date	$56,162,000
1986 budget estimate	78,699,000
House allowance	54,274,000
Committee recommendation	76,400,000

The Committee recommends an appropriation of $76,400,000 for the salaries and expenses of the Office of the Secretary, including the international affairs function. The House has provided for separate appropriations for international affairs and for the Office of the Secretary, salaries and expenses. The amount provided by the Committee is $1,983,000 less than the combined House allowance for the two accounts and $2,299,000 below the amended budget estimate for both accounts.

The functions of the Office of the Secretary are in support of and necessitated by the responsibilities of the Secretary of the Treasury as a major policy adviser to the President and executive director of the Department. The Secretary has primary responsibility for: Formulating and recommending domestic and international financial policy and tax policy; participating in the formulation of broad fiscal policies that have general significance for the economy; and managing the public debt. The Secretary also oversees the activities of the Department in carrying out its major law enforcement responsibilities, in serving as the financial agent for the U.S. Government, in manufacturing coins and currency, and in managing the operation and maintenance of the main Treasury and annex buildings.

The international affairs programs involve the formulation and execution of Treasury policy in a wide range of important economic areas. Major program concerns include maintenance of liaison with international organizations and foreign governments in matters of common economic concern; investment of exchange stabilization fund reserves and sales and purchases of foreign currency for the purpose of stabilizing exchange markets; projection and interpretation of international economic trends; formulation and execution of economic policy decisions regarding developing nations; development of U.S. policy regarding international financial institutions; assisting in economic aspects of programs funded jointly by the United States and Saudi Arabian Governments; and a variety of other programs.

The Committee suggests that these reductions can be applied to the consulting and related services, equipment, travel, and other services object classes.

COUNTERTERRORIST TRAINING OF TREASURY LAW ENFORCEMENT OFFICERS

The Committee believes that the Department of the Treasury contains a number of crucial law enforcement agencies that can be of significant assistance to the President and the Justice Department in augmenting our national effort to combat international and domestic terrorism.

The Secret Service, the Bureau of Alcohol, Tobacco and Firearms, the Customs Service, and the Internal Revenue Service all have existing statutory authority in a number of areas that either directly or indirectly relate to terrorism and investigative authority to vigorously pursue terrorist groups at home and abroad. Furthermore, the agents, officers, and inspectors at these agencies are highly skilled and capable of increasing their antiterrorist investigative and interdiction activities.

The Committee believes, therefore, that counterterrorist training should be a mandatory part of training for all Treasury law enforcement officers, agents, and inspectors and has established an antiterrorist training academy at the Federal Law Enforcement Training Center [FLETC] in Glynco, GA, to accommodate this new training program. The Committee directs the Secretary of the Treasury to immediately implement such a mandatory antiterrorist training program in the Department to be conducted at FLETC. The Committee expects to receive regular reports from both the Secretary and the Director of the Federal Law Enforcement Training Center on progress being made in this regard and expects to have a comprehensive written plan for implementing this Committee directive by no later than December 1, 1985. Such implementation plan for antiterrorist training should include budget estimates for both FLETC and the line agencies to carry out this new mission within Treasury.

PARALLEL IMPORTS

The Committee notes that the Cabinet Council on Economic Policy is currently conducting a comprehensive inter-agency analysis of parallel imports. The Committee understands that this analysis is underway and is anxious to review the results of this study. The Committee, therefore, strongly urges the administration to publish and make available to the Committee a report on its findings by no later than December 31, 1985.

By this action, the Committee in no way wishes to prejudge the outcome of the policy statement nor does it take any position as to whether there is any need for further legislation and/or regulation relating to parallel imports.

COMPLIANCE WITH SECTION 615

The fiscal year 1985 Treasury, Postal Service, and General Government Appropriations Act requires officers of the Government appointed by the President to obtain the express approval of the House and Senate Appropriations Committees with respect to renovations or other office improvements costing more than $5,000. This same restriction is included in the accompanying bill as section 615.

The Committee received indications earlier this year that the Department of the Treasury had exceeded the limitation for redecoration of offices outlined in section 615. Subsequent inquiry established that several of the office renovations undertaken in fiscal year 1985 were in excess of the $5,000 threshold in section 615. A review of the justification for the painting, reconstruction, electrical, and other work completed at the Department indicate that all of the actions taken were not excessive in view of the general maintenance requirements of the Treasury building.

The Committee, however, is taking this opportunity to reiterate to all departments and agencies the reporting requirements listed in section 615.

The Committee is also concerned about recent increases in the size and expense of the Department's delegations to meetings of the Organization for Economic Cooperation and Development. The delegation to Paris for the April ministerial, for example, numbered 13, and included a confidential secretary, two staff assistants, the Director of the Scheduling Office, the Assistant Secretary for Public Affairs and her deputy, a communications specialist, and an administrative control officer. The Committee recognizes the legitimate purposes served by U.S. representation at international economic conferences of this sort. But it questions whether a delegation of 13 is really necessary to assure adequate representation of U.S. interests. In 1978, for example, the U.S. managed to get by with a delegation of seven, which included the Secretary and three senior economic policy experts.

The Committee also notes that, in addition to the Secretary, three other members of the April delegation flew first class. Federal travel regulations prohibit first class accommodations for Federal employees unless a waiver is granted for specific cause (that is, medical and health reasons). The Committee expects the Department to provide a written explanation of the basis on which waivers were granted in these instances.

INTERNATIONAL AFFAIRS

1985 appropriation to date	$22,768,000
1986 budget estimate	
House allowance	22,442,000
Committee recommendation	

The House has broken this account from the Office of the Secretary activity. The Committee believes one account better facilitates administration and that documentation provided by the Office of the Secre-

tary provides adequate oversight. Therefore, the Committee has recommended merging International Affairs into the Office of the Secretary account.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

1985 appropriation to date	$18,341,000
1986 budget estimate	17,803,000
House allowance	25,500,000
Committee recommendation	23,803,000

The Committee approves an appropriation of $23,803,000 for the Federal Law Enforcement Training Center. This amount is $6,000,000 more than the budget request, but $1,697,000 less than the House allowance.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting basic and advanced, in-service, refresher, and specialized [AIRS] training for law enforcement personnel of the participating organizations. Center personnel conduct the instructional programs for the basic recruit training and also selected portions of the advanced training. In addition, the Center furnishes training on a space-available basis to personnel from several Federal organizations which are not formal participants in ongoing training activities.

The House provides $8,000,000 to cover all costs for basic training. The Committee agrees with the concept of a unified budget, but because of budgetary restraints and the fact that funding is included in each appropriation account for respective agency training, no action will be taken at this time. However, it should be noted that the Committee expects the Department to review the concept of a unified budget, and make recommendations of that nature in the fiscal year 1987 budget.

NATIONAL ANTITERRORIST TRAINING ACADEMY AT FLETC

The Committee has recommended an appropriation of $6,000,000 over the President's request to initiate the establishment of a National Antiterrorist Training Academy at the Federal Law Enforcement Training Center [FLETC].

The Committee is cognizant that the Federal Bureau of Investigation [FBI] trains its own agents and those of the Drug Enforcement Administration [DEA] at its own academy at Quantico, VA, including counterterrorist training for those law enforcement officers. The FBI Academy, however, does not train any other Federal law enforcement officers. However, in light of the growing national and international threat of terrorism, the Committee believes that establishment of a Counterterrorist Training Program at FLETC for all other Federal law enforcement officers with appropriate roles to play in the war against terrorism is appropriate.

The Federal Law Enforcement Training Center has unique qualifications for handling this new training mission, beginning in fiscal year

1986. First, there will be training slot vacancies available in fiscal year 1986 due to the decision by the Justice Department to shift the DEA training from FLETC to the FBI Academy at Quantico, VA. Second, FLETC has both the existing campus and expertise to accommodate this new training mission for all Treasury law enforcement agencies; and the remaining agencies, offices, and organizations which are presently trained at FLETC. Finally, the law enforcement officers currently trained at FLETC will be deployed or are deployed at the international airports, Southwest border, and other locations where the domestic and international terrorist threat is most acute. Therefore, counterterrorist training of these law enforcement officers will serve to augment the capabilities of the Federal Bureau of Investigation's counterterrorist work force by putting more highly trained enforcement personnel on the line in our effort to combat terrorist attacks.

For these reasons, the Committee believes that the growing terrorist threat merits the formation of this new training academy at FLETC in fiscal year 1986. The Committee has appropriated $6,000,000 to allow the Center to establish the new training academy and to initiate any construction on the Center's campus at Glynco, GA, and, if necessary, at its satellite facility at Marana, AZ.

The Committee directs the Secretary of the Treasury, in conjunction with the Director of the Federal Law Enforcement Training Center, to report in writing to the Committee by no later than December 1, 1985, regarding plans to establish this new training academy at FLETC. The Committee fully expects the Secretary and the Director to review their plans with the Attorney General to take advantage of the Justice Department's expertise in counterterrorist training.

Financial Management Service

SALARIES AND EXPENSES

1985 appropriation to date	$246,251,000
1986 budget estimate	246,902,000
House allowance	244,621,000
Committee recommendation	244,621,000

The Committee recommends an appropriation of $244,621,000 for salaries and expenses of the Financial Management Service. This amount is $2,281,000 less than the budget estimate.

The Financial Management Service, formerly denoted as the Bureau of Government Financial Operations provides central payment services for all civilian executive agencies, except the U.S. Postal Service, U.S. Marshals, and certain Government corporations, processes claims on lost, stolen, and forged checks, provides accounting services for the Government, including maintenance of the central accounts concerning appropriations, receipts, and expenditures for the Government as a whole, provides checking account facilities to Government disbursing officers for the purpose of drawing checks on the U.S. Treasury, compiles and publishes financial reports, and performs other unique central fiscal operations. The Service's financial requirements to carry out these

programs are subject almost entirely to program increases generated by other agencies and the Congress.

Bureau of Alcohol, Tobacco and Firearms

SALARIES AND EXPENSES

1985 appropriation to date	$172,113,000
1986 budget estimate	173,725,000
House allowance	174,212,000
Committee recommendation	178,825,000

The Committee recommends an appropriation of $178,825,000 for the salaries and expenses of the Bureau of Alcohol, Tobacco and Firearms for fiscal year 1986. This is $5,100,000 over the administration's request.

The responsibility of the Bureau of Alcohol, Tobacco and Firearms [ATF] is to: (1) Reduce the misuse of firearms and the misuse and unsafe or insecure storage of explosives and assist other Federal, State, and local law enforcement organizations in reducing crime and violence in which firearms and explosives are used, through the effective enforcement of the firearms and explosives laws of the United States; (2) insure that all revenue due under the alcohol and tobacco tax statutes is collected, and obtain, to the maximum extent possible, voluntary compliance with those laws; (3) suppress illicit manufacture and sale of nontax-paid alcoholic beverages; (4) suppress commercial bribery, consumer deception, and other improper trade practices in the alcoholic beverage industry through the effective administration and enforcement of the Federal Alcohol Administration [FAA] Act; (5) eliminate trafficking of contraband cigarettes; and (6) administer research and development to improve technology as a means of combating the use of explosives in crime.

The Committee has added $5,100,000 for the ATF. The budget proposed to delete positions for the alcohol enforcement and cigarette programs. The Committee views these programs, as revenue collection activities, most important and therefore, directs ATF to use the restored funding to work on these and other priority areas, such as arson.

In this total $1,000,000 is to be used to accelerate development of explosives detection and identification devices. These important law enforcement and counterterrorist devices have the potential for detecting explosives that could be smuggled onto aircraft. The Committee believes that the additional funding provided in the bill will serve to bring this technology into production by the start of fiscal year 1987.

FEDERAL ALCOHOL ADMINISTRATION ACT

The Committee has again inserted a provision in the bill mandating funding for enforcement of the FAA Act at a minimum level of $15,000,000. It should be noted that AFT's effectiveness in this important program area has not flagged, even though the funding amount has not been increased to contemplate inflation or rising operating costs. The Committee commends ATF's management for the productivity gains which result in continued efficient enforcement at a decreasing cost to the taxpayer.

ARSON

The efforts of the Bureau of Alcohol, Tobacco and Firearms to deal with the cowardly, avaricious crime of arson for profit warrant nothing less than unqualified support from this Congress. The investigative techniques and skills brought to arson crime investigations by ATF special agents greatly enhance the potential for solution of these vicious acts.

COLLECTION OF STATISTICS

In reviewing the Office of Management and Budget's directive to the Bureau of Alcohol, Tobacco, and Firearms to discontinue its present system of collecting statistics on the beverage alcohol industry, the Committee finds that a move to collect these statistics on a quarterly rather than on a monthly basis will restrict the beverage alcohol industry in focusing on industry problems, including alcohol abuse; will unnecessarily restrict the operations of a heavily regulated industry with deep social responsibilities which contributes some $12,200,000,000 in taxes on its products to local, State, and Federal governments; and will severely hamper the Government's efforts in monitoring business activities.

Therefore, the Committee directs that the ATF shall continue the monthly collection of statistics for the beverage alcohol industry.

The Committee has included language which prohibits ATF from implementing regulations with regard to ingredient labeling until all current court proceedings are completed.

U.S. Customs Service

SALARIES AND EXPENSES

1985 appropriation to date	$669,734,000
1986 budget estimate	656,702,000
House allowance	725,000,000
Committee recommendation	709,000,000

The Committee recommends an appropriation of $709,000,000 for the salaries and expenses of the U.S. Customs Service. This amount is $52,298,000 more than the budget estimate, but $16,000,000 below the House figure.

The "Salaries and expenses" account covers all personnel costs and related expenses for the U.S. Customs Service. The "Operation and Maintenance, Air Interdiction Program" account covers the fuel, equipment, utilities, and supply costs associated with the Service's Air Interdiction Program. The infusion of military assets into the Customs Air Program has necessitated the establishment of a separate account for the Air Program's operation and maintenance activities.

As the agency with the primary border enforcement responsibility and a major revenue producer, the U.S. Customs Service administers and enforces the Tariff Act of 1930 and some 400 other provisions of laws and regulations of 40 other Federal agencies which govern international traffic and trade. The multiencompassing aspects of this mission require the U.S. Customs Service to:

—Control, regulate, and facilitate the movement of carriers, persons, and commodities between the United States and other nations.

—Protect the American consumer and the environment against the introduction of hazardous and noxious products; and protect American industry and the American worker against unfair competition from foreign manufacturers.

—Assess, collect, and protect the revenue accruing to the United States from duties, taxes, and fees incident to international traffic and trade.

—Detect, interdict, and/or investigate: Smuggling and other illegal practices designed to gain illicit entry into the United States of prohibited articles, narcotics, drugs, and other contraband;

—Fraudulent activities calculated to avoid the payment of duties, taxes, and fees, or to evade the legal requirements of international traffic and trade;

—Illegal international trafficking in arms, munitions, and currency.

The President's budget proposes to eliminate 887 positions during fiscal year 1986. The Committee denies that request and has included funding to restore those positions, plus funding to annualize the 120 positions which are included in Public Law 99–88, the Supplemental Appropriations Act of 1985. The House action restores the positions and adds 800 positions. The Committee is concerned that the restored and additional personnel have the equipment to do the job, so the additional enhancement is directed toward providing that assistance.

In taking this restoration action the Committee feels strongly that at this time of increased trafficking in illicit narcotics and fraudulent importation of goods such as steel and textiles that this is not the time to be reducing the work force of the Customs Service. The Committee agrees with the assumption that savings can be made by further efforts to reduce administrative overhead. In fact, the Committee strongly encourages the Customs Service to pursue efforts of that nature. In the meantime, however, the Committee continues to believe that a strong effort must be made to shore up front line personnel.

MEXICAN-U.S. BORDER SECURITY AND NARCOTICS ENFORCEMENT INITIATIVE

In recognition of the serious narcotics and security threats at the United States-Mexican border, the Committee has appropriated $12,445,000 to implement phase I of a major plan to increase law enforcement staffing along the Southwest border from Texas to California. Specifically, the additional funding would provide the following enhancements:

—$2,120,000 for 53 additional canine enforcement officers [CEO];

—$8,992,000 for 228 additional inspectors along the Southwest border;

—$1,249,000 for law enforcement equipment for these new positions; and

—$600,000 for 30 additional customs aides to assist with law enforcement duties along the Southwest border.

The Committee directs the Commissioner of Customs to report to the Committee in writing by no later than 30 days from enactment of funding legislation for the Department of the Treasury regarding how these additional positions will be assigned among the four major customs districts along the Southwest border.

ADDITIONAL LAW ENFORCEMENT ENHANCEMENTS IN HIGH-THREAT AREAS

The Committee also believes that additional law enforcement personnel are needed in both the narcotics interdiction and commercial fraud areas. The Committee has recommended an additional appropriation of $6,025,000 and 135 positions additional law enforcement enhancements in those areas of the country deemed by the Commissioner to be the most vulnerable to narcotics and commercial fraud enforcement problems. Specifically, the additional funding would provide for the following:

—$2,000,000 for 50 additional inspectors to establish up to eight new contraband enforcement teams [CET];

—$2,500,000 for 50 additional air officers for new drug interdiction aircraft coming on-line in fiscal year 1986; and

—$1,525,000 for 35 additional import specialists for commercial fraud enforcement teams in high-threat areas of the country.

The Committee directs the Commissioner of Customs to report in writing by no later than 30 days from enactment of funding legislation for the Department of the Treasury regarding how these additional enforcement personnel are to be assigned around the high-threat areas of the country.

In restoring the 887 positions proposed for reduction by the President and adding additional enforcement personnel to the Customs work force next year, the Committee directs the Commissioner of Customs to allocate these restored and new positions according to the following table:

Principal categories	Fiscal year 1984 actual	Fiscal year 1985 estimate	President, 1986	Committee restoration 887 positions	Subtotal	Southwest border initiative	Committee high threat add-on	Other Committee recommendation	Total Committee recommendation
Inspectors	4,289	4,372	4,166	[1] +398	4,564	+228	+50		4,842
Import specialists	1,042	1,023	779	[2] +260	1,039		+35		1,074
Secretaries	641	619	609	0	609				609
Other clerks	547	527	520	+20	540				540
Customs aides	1,015	1,015	970	+45	1,015	+30			1,045
Laboratory employees	140	140	90	+50	140				140
Patrol officers	1,246	1,246	1,246	[3] +41	1,287	+53	+50		1,390
Regional and district employees	1,589	1,571	1,308	+30	1,338				1,338
Customs agents	932	1,009	1,009	+5	1,014				1,014
Investigative support	145	170	151	+19	170				170
Internal affairs	161	153	153	+6	159				159
Regional counsel	78	78	78	0	78				78
Headquarters staff	1,057	1,057	1,027	0	1,027			-30	997
Subtotal	12,882	12,980	12,106	+874	12,980				
Part-time/temporary	437	438	425	+13	438				438
Total	13,319	13,418	12,531	+887	13,418	+311	+135	-30	13,834

[1] Includes 28 canine officers and 95 inspectors for northern and southern border security.
[2] Includes 16 import specialists for fraud.
[3] Pilots/air intelligence officers.

MARINE INTERDICTION ENFORCEMENT ENHANCEMENT

The Committee recommends an appropriation of $8,780,000 for three major marine interdiction enhancements in fiscal year 1986, in addition to the regular marine interdiction program. Specifically, the additional funding would provide for the following:

—$5,100,000 for procurement of three additional marine interdiction modules;

—$2,000,000 for additional interceptor, utility, and replacement vessels;

—$1,680,000 for 1-year lease of lighter-than-air airship marine surveillance, command and intelligence gathering platform for marine interdiction in the Gulf of Mexico.

These additional resources will help the marine interdiction program build on the outstanding success of Operation Blue Lightning and other marine interdiction efforts featuring cooperative operations with the Coast Guard and the State and local law enforcement agencies in Florida and other States. Furthermore, these additional assets will augment the significant Marine Interdiction Improvement Program initiated in the supplemental appropriation bill, 1985.

Finally, the Committee recommends reductions of $3,992,000 to be applied to the following activities or programs at the Customs Service:

—$2,000,000 in other services activities. This will still leave an increase of 23 percent over fiscal 1985 levels;

—$768,000 in administrative savings, in nonlaw enforcement travel; transportation; supplies and materials; and printing and reproduction;

—$1,224,000 to cut an additional 30 positions from headquarters and associated overhead savings attributable to this reduction. The Committee believes that the nonlaw enforcement staff at headquarters should be reduced as more emphasis is put into increasing front-line enforcement personnel in the field.

The Commissioner of Customs shall report to the Committee regarding how the agency intends to absorb these savings in nonlaw enforcement areas.

CUSTOMS REDUCTIONS AND CONSOLIDATION

The House has inserted language prohibiting the use of funds appropriated in this act from being used to plan, implement, or administer (1) any reduction in the number of regions, districts, or entry processing locations of the U.S. Customs Service; or (2) any consolidation or centralization of duty assessment or appraisement functions of any offices of the U.S. Customs Service.

The Committee agrees with the House in principal that the Congress should be involved in final decisions as to the number of regions, districts, and processing locations of the Customs Service. However, the Committee does not agree that a wholesale prohibition on management initiatives is the answer to the problem. Provisions included in Public Law 98–573, the Tariff and Trade Act of 1984 address the question of closures, so the Committee has deleted this language.

In an effort to avoid problems which have been experienced in the past, the Committee encourages the Customs Service to take the following action prior to making any closure decisions: (1) notification of the Committee of proposal; (2) notification of affected Members of Congress; (3) coordination and discussions with those Members of Congress; and (4) final approval of plan by the Committee.

It is to be noted the Committee expects complete consultation and coordination with the Members of Congress affected, so that local input is considered in the final decision. The Committee expects that the notification be issued so a reasonable time can be allotted to the discussion.

BRIDGEPORT, CT, CUSTOMS DISTRICT

In the fiscal year 1983 continuing resolution (Public Law 97–377), the Committee directed the Customs Service to keep the Bridgeport, CT, customs office as a district customs office. This directive was repeated in the supplemental appropriations bill for fiscal year 1984 (Public Law 98–332) and in the continuing resolution for fiscal year 1985 (Public Law 98–473). The Committee is deeply concerned that Customs has repeatedly ignored its directives regarding Bridgeport.

This customs district is important to both the State of Connecticut and the Nation and shall be maintained intact in fiscal year 1986. The Committee once again directs that no effort by Customs be made to close or reduce the operations of this office as either a district office or a port of entry.

The Committee also directs Customs to provide, within 30 days of enactment of this legislation, a written report outlining the reasons for their reluctance to comply with the Committee's directives and the current status of the Bridgeport district customs office.

CHARLESTON, WV, CUSTOMS OFFICE

The Committee believes that the port of customs office in Charleston, WV, is an important facility both to the State of West Virginia and the Nation and should be maintained in tact in fiscal year 1986. The Committee further directs that no effort be made to close or reduce the operations of this office, in accordance with the directives contained in this report regarding the closing, consolidation, transfer, merger, or personnel reductions affecting customs offices, regions, and districts.

PORT OF PALM BEACH

The south Florida task force has proved very successful in suppression of illicit drug traffic in Florida. The task force covers Florida and its coastal waters. A concentrated effort in the Miami area has led to a successful interdiction of drugs. Successful efforts, unfortunately, have a downside. Traffickers move operations.

The Port of Palm Beach is a good example. Several large seizures have been made. It indicates trafficking patterns are changing. The drug traffic, plus increased cargo processing, indicate increased customs activity is warranted. The Committee, therefore, urges that the Commissioner consider assigning additional agents to the Port of Palm Beach.

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ANDRADE, CA, PORT OF ENTRY

The Committee directs the Commissioner of Customs, in cooperation with the Commissioner of the Immigration and Naturalization Service in the Department of Justice, to maintain hours of operation at the Andrade, CA, port of entry from 6 a.m. to at least 10 p.m. in order to allow legitimate commercial and agricultural traffic to cross the United States-Mexican border during peak business hours. The Port of Andrade serves Algadones, Mexico, and Yuma, AZ, and is an important entry point for legitimate business traffic on both sides of the Mexican-U.S. border.

PAYMENT OF 1911 OVERTIME

In fiscal year 1984, the Committee concurred with the House in establishing an overtime cap of $25,000 with language granting authority to the Commissioner to exceed this limitation in extraordinary, specific, individual cases where a waiver of the ceiling is deemed to be essential to the Customs mission. This provision has been continued in this bill. The Committee expects the Commissioner to report to the Committee on a quarterly basis with a compilation of those instances where the overtime cap was exceeded, including a description of the mission involved that led to the waiver, and the amount of money, if any, that was saved by paying the extra overtime versus moving other Customs personnel to handle the assignment in question. The information on the following pages explains the conditions under which 1911 overtime is paid.

Customs overtime laws, 19 United States Code 261, 267, and 1451 and 49 United States Code 1741(e), are more commonly referred to as "1911 overtime" since the original overtime law was enacted on February 13, 1911. The laws require that Customs officers be paid extra compensation for services performed on Sundays and holidays, or outside regular hours of duty on weekdays. These same laws require that the Government be reimbursed for the cost of these services by the parties requesting them; except, pursuant to statutory amendments, when the services are performed in connection with highway, bridge, tunnel, and ferry operations at our borders with Canada and Mexico or at airports on Sundays and holidays during the hours of 8 a.m. and 5 p.m.

The following information explains the basic rates for the computation of 1911 overtime earnings on weekdays and Sundays and holidays. Also cited are specific examples of various types of assignments and the pay commensurate with those assignments. It should be pointed out that the payment of Customs overtime is based upon periods of time worked rather than hours worked and thus results in a more complex system of payment.

WEEKDAYS (MONDAY THROUGH SATURDAY)

The rates are fixed at one-half day's pay (4 hours) for each 2-hour period or fraction thereof of at least 1 hour for overtime from 5 p.m. to 8 a.m. during the week; but cannot exceed 2½ day's pay for the full period, 5 p.m. to 8 a.m.

Examples:

1. If an importer requests the services of an employee to obtain (enter) his merchandise at 5 p.m. and the employee, whose regular tour of duty ends at 5 p.m., completes the assignment at 7 p.m., the employee will receive 4 hours (one-half day) pay for 2 hours of work.

2. If the same employee completes the assignment after 7 p.m. but before 8 p.m., the inspector will receive the same 4 hours pay for the more than 2 hours of work. The employee cannot be paid for the second period of work; that is, 7 p.m. to 9 p.m., until he has worked at least 1 hour into the period (to at least 8 p.m.).

The act also provides for what is commonly referred to as "call-back" compensation. This is paid, in addition to the hours worked, when a Customs officer has completed his normal tour of duty and is called back to work an overtime assignment. There are two methods of compensation.

One. An employee whose overtime begins before the expiration of the first 4 hours of the night is compensated from the beginning of the night to the conclusion of the service.

Example: If an employee whose regular tour of duty ends at 5 p.m. is called back for an overtime assignment to begin at 7 p.m., he will be paid as if he began the assignment at 5 p.m. Thus, if the 7 p.m. assignment ended at 9:30 p.m., the employee would receive 4 hours pay for the 2-hour period between 5 p.m. and 7 p.m. plus 4 hours pay for the 2½ hours actually worked in the period between 7 p.m. and 10 p.m.

Two. An employee whose overtime begins after the first 4 hours of the night or before the last 2 hours of the night is compensated for his assignment, plus 4 hours.

Example: If an employee whose regular tour of duty is between 8 a.m. and 5 p.m. is called back for an overtime assignment beginning at 3 a.m. and ending at 4:45 a.m., he will receive 4 hours pay for the period of work between 3 a.m. and 5 a.m., plus 8 hours pay (2 periods) for being called back.

SUNDAYS AND HOLIDAYS

The rates are 2 days' pay for overtime services up to 8 hours within the 24 hours of a Sunday or holiday and one-half day's pay for each 2-hour period, or fraction thereof, of at least 1 hour of overtime beyond 8 hours. The total compensation during any Sunday or holiday cannot exceed 4½ days' pay.

Examples:

1. Almost 90 percent of the assignments at major airports and almost 100 percent of the assignments at land border ports on a Sunday or holiday are on a shift basis. In these situations, the employees are receiving 16 hours pay for 8 hours work.

2. Customs policy is to have the employees available for 8 hours from the start of their first assignment on a Sunday or holiday for any and all other assignments which may occur during the 8-hour period. If an employee is assigned to board a vessel at 6 a.m. on a Sunday and completes the assignment at 8 a.m., the employee receives 16 hours pay for 2 hours of work. If there are any other assignments between 8 a.m. (the end of the first assignment) and 2 p.m. (the end of the 8 hours), then the same employee will also be assigned to perform those duties with no additional compensation.

3. An employee who continues to work beyond an 8-hour tour on a Sunday or holiday is compensated at the same rate applicable at night on a weekday; for example, an employee who works between 8 a.m. and 6 p.m. on a Sunday would receive 16 hours of pay for the 8 hours between 8 a.m. and 4 p.m., plus 4 hours' pay for the 2-hour period 4 p.m. to 6 p.m.

RETENTION OF IMPORT SPECIALIST POSITION IN PHOENIX, AZ

The Committee recognizes the significant workload increases at the Phoenix, AZ, port of entry and has directed the Commissioner of Customs to assign and maintain at least one full-time, permanent import specialist at Phoenix. Furthermore, the Committee directs that no shift of any import specialist positions from other Arizona ports of entry, including Nogales, AZ, to Phoenix take place during fiscal year 1986 and that any additional import specialist slots at Phoenix be filled by new hires or through transfer from outside the State of Arizona.

The Committee believes that the workload statistics at Phoenix fully justify this directive. Total formal entries at Phoenix are up 39.1 percent over fiscal year 1983; collections are up by 60.5 percent; and clearance of full ocean containers are up a staggering 140.8 percent. The Committee also notes that employment in the export-import trade along the land border business communities in the State has prospered, with new jobs, new companies, and new opportunities being attracted to Phoenix in large numbers. The Committee believes that the physical presence of an import specialist in Phoenix to help handle the new infusion of trade in southern Arizona is a major factor in the commercial success being enjoyed in the State and urges Customs to make a full-time import specialist a permanent part of the Phoenix, AZ, customs work force in fiscal 1986 and beyond.

Finally, the Committee directs that no action be taken in fiscal year 1986 to close or consolidate the Phoenix port of entry or district into any other district in the State of Arizona. The Committee believes that a freestanding port of entry at the largest, most commercially active center in the State of Arizona is fully justified.

ST. ALBANS, VT, CUSTOMS DISTRICT

The Committee is concerned that for the second year in a row, the Customs Service is planning to consolidate the St. Albans customs district into another district in fiscal year 1986.

The Committee notes that the number of entries at the St. Albans district has more than doubled from 53,150 in 1977 to 131,125 last year. The St. Albans operation ranks in the top one-third of all customs ports of entry.

Furthermore, the Committee is concerned that an alternate plan at Customs would remove the classification and value division from St. Albans and place it in Ogdensburg, NY. The Committee believes that either a consolidation or the removal of this important division to another location outside of Vermont would have an adverse impact on both domestic and international business around the greater St. Albans area and the State of Vermont.

Therefore, the Committee directs that no action be taken by the U.S. Customs Service to close, consolidate, or shift operations from the St. Albans, VT, customs district in fiscal year 1986.

MILWAUKEE, WI, CUSTOMS OFFICE PERSONNEL

The Committee is deeply concerned that the Customs Service for the past 2 years has virtually ignored Committee directives to assign additional personnel to the Milwaukee, WI, customs office. For the past 2 years, the Committee has directed the Customs Service not to close, or shift personnel or functions from the Milwaukee customs office into other customs regions or districts. The Committee has also directed that the Milwaukee customs remain in its status as a freestanding port of entry and that it maintain its independent status from the Minneapolis, MN, district. Finally, the Committee has specifically directed that no fewer than four full-time personnel, above current work force levels, including one additional import specialist be assigned to the Milwaukee, WI, customs office.

The Committee does not take lightly its directives contained in its annual appropriation bill report for the Customs Service and the Milwaukee customs office matter is no exception. The Committee is particularly concerned regarding the status of the Milwaukee customs office in light of a letter last November to the chairman of the Treasury Subcommittee, indicating Customs' intent to comply with the directive, followed by a letter in March 1985 reversing that decision to comply.

Therefore, the Committee has no alternative than to put language in the bill, directing the following: (1) the Milwaukee, WI, customs office and district not be closed, consolidated, or reorganized in fiscal year 1986; and (2) that no fewer than four additional full-time permanent personnel, including at least one additional import specialist be assigned to the Milwaukee customs office, over and beyond current work force levels.

The Committee expects these personnel assignments to be accomplished by no later than December 30, 1985. A report from the Com-

missioner of Customs on this matter is expected by no later than December 1, 1985.

PORTS OF ENTRY IN NORTH DAKOTA

The Committee is concerned about the proposed closure of ports of entry in the State of North Dakota. It is apparent that action of this nature would hamper trade and travel between this country and Canada. Therefore, the Committee directs that no effort be made to close or reduce operations at any of these offices.

CONSOLIDATION OF OFFICE OF ENFORCEMENT ACTIVITIES

The Committee notes that the Customs Service has embarked on a consolidation of the Office of Tactical Enforcement and the Office of Investigations within the Office of Enforcement. The intent of this reorganization is ostensibly to improve the coordination and cooperation between the interdiction and investigative sides of the Customs Service's Law Enforcement Program.

The Committee has reviewed this proposed consolidation and is concerned that it may have the potential for diminishing the role the former Office of Patrol plays in drug interdiction. For example, the proposed consolidation could sharply restrict the ability of line patrol officers in the air and marine interdiction programs to conduct valuable preinterdiction investigations—investigations that have traditionally resulted in excellent cases for the Customs Service. Although the Committee is supportive of the concept of coordinating investigations with the special agents in charge on a local level, it believes that any effort to thwart the ability of experienced patrol personnel to develop air and marine cases through their own investigative work should be rescinded. Furthermore, the Committee believes that any consolidation of the Office of Enforcement should not have any effect on the level of personnel in either the air or marine interdiction programs.

Finally, the Committee believes that before the proposed consolidation within the Office of Enforcement, including any effort to restructure the career pay series for patrol officers, is approved by the Commissioner and ultimately implemented by Customs, it must be demonstrated beyond any doubt that the entire consolidation/reorganization of the Office of Patrol will not only improve the career opportunities for customs patrol officers, but also enhance rather than diminish their ability to conduct preinterdiction investigations and their overall drug interdiction mission. The Committee expects to receive a written report prior to the full implementation of this proposed consolidation/reorganization regarding the concerns outlined above.

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

1985 appropriation to date	$55,425,000
1986 budget estimate	60,425,000
House allowance	60,425,000
Committee recommendation	75,000,000

The Committee recommends an appropriation of $75,000,000 for operation and maintenance expenses of the Customs Air Interdiction Program. This is $14,575,000 more than the total amount requested for Air Program activities in fiscal year 1986. The increase being necessary to annualize costs incurred as a result of action taken in the Fiscal Year 1985 Supplemental Appropriation Act, Public Law 99–88.

The "Operation and maintenance, Air Interdiction Program" account covers expenses incurred by the Customs Service for operating and maintaining the aircraft, radar, equipment, and facilities necessary to carry out the successful mission of the Air Interdiction Program. This account also includes training, some equipment procurement, leasing, and special operations either directly or indirectly associated with the Air Interdiction Program. This account also covers the essential costs associated with operating and maintaining the Army, Navy, and Air Force aircraft and equipment that has been and will continue to be loaned to Customs for use in its Air Interdiction Program. Currently, the Customs Service has on hand four Army UH–60 Blackhawk helicopters, four Army Cobra helicopters, and a Navy P–3A surveillance aircraft being retrofitted with an F–15 Air Force combat radar. The Customs Service will be receiving an additional three P–3A aircraft in fiscal year 1985 and two more P–3A aircraft in fiscal 1986. The funding in this account also covers the cost of the aerostat radar surveillance system to be located in the Caribbean for drug trafficking radar surveillance and the first land-based aerostat in Arizona on the Southwest border.

The Committee directs that funding for the air program be allocated as shown in the following table:

Regular air program:	
Travel	$800,000
Transportation	175,000
Utilities, communications, and rent	950,000
Contract services	8,500,000
Fuel and supplies	3,400,000
Equipment	900,000
Subtotal	14,725,000
Support of military assets:	
Operation and maintenance:	
Six Blackhawk helicopters and three Cobra helicopters	5,200,000
Four P–3 surveillance aircraft	15,100,000
Modification of C–12 trackers for air/marine interdiction with 360 degree radar	5,000,000
Miscellaneous spares	700,000
Subtotal	26,000,000

Other air program activities:	
Procurement of Arizona Southwest border aerostat	$9,000,000
Lease/operation and maintenance, Bahamas aerostat	4,000,000
Development of command, communications, and control centers (C-3; J-MIC; and/or ROCC)	5,000,000
Lease of four Citation interceptors	2,300,000
Operation and maintenance:	
Four leased Citations	2,000,000
High endurance trackers [CHET]	1,700,000
DOD drug surveillance wing:	
Customs share for long-lead items	1,800,000
Subtotal	25,800,000
Subtotal	66,525,000
Additional air program enhancements:	
Development of integrated logistics system [ILS] to improve parts and inventory procedures at Customs air program	2,300,000
COMINT for P-3's Nos. 2 and 3	4,000,000
Electro-optic surveillance units (3) to be installed in P-3's Nos. 2, 3, and 4	1,500,00
Mission commander systems integration console (2) to be installed in P-3's Nos. 2 and 3	675,000
Subtotal	8,475,000
Total, operation and maintenance, Air Interdiction Program	75,000,000

The Committee fully expects the Customs Service to follow the directives outlined in the table above regarding the allocation of the operation and maintenance resources in fiscal year 1986. However, as was the case in fiscal year 1985, should circumstances change during the course of the fiscal year and opportunities arise for air interdiction enhancements not previously envisioned by the Committee or the Customs Service, and should a reallocation or adjustment to the directed funding levels and allocations be required to take advantage of such opportunities, the Commissioner is expected to notify the Committee in writing of such developments and fully justify in detail any reallocation of air program resources within the total appropriation for operation and maintenance recommended by the Committee.

The Committee notes that the appropriation language contained in the bill should not be interpreted or viewed in any way as a limitation on the authority of the U.S. Customs Service to acquire aircraft by means other than commercial purchase. Furthermore, the Committee reconfirms the intent of the Congress in prior years that the Customs Service is authorized to acquire aircraft through means such as seizure for violations of law and by transfer from other agencies. The Committee has included language in the bill granting such authority to Customs to continue acquiring seized aircraft that have been confiscated as a result of legal action against a violator of Customs laws and to acquire aircraft and equipment from other Federal agencies, including the Department of Defense.

CUSTOMS FORFEITURE FUND

1985 appropriation to date	$6,000,000
1986 budget estimate	8,000,000
House allowance	(8,000,000)
Committee recommendation	8,000,000

The Committee recommends an appropriation of $8,000,000 to fund the Customs forfeiture fund for fiscal year 1986. The Senate action provided new authority to further capitalize the fund while the House does not.

This fund was created by Public Law 98–473 and Public Law 98–573 and is intended to assist the Customs Service in disposal of assets seized by the Service.

CUSTOMS SERVICES AT SMALL AIRPORTS

The Committee has provided authority to fund the expanded program to provide customs service on a reimbursable basis at certain small airports designated by the Secretary of the Treasury. The services will be paid from fees collected at each of these airports.

UNITED STATES MINT

SALARIES AND EXPENSES

1985 appropriation to date	$47,671,000
1986 budget estimate	47,942,000
House allowance	46,954,000
Committee recommendation	46,500,000

The Committee recommends an appropriation of $46,500,000 for the salaries and expenses of the Bureau of the Mint.

The Bureau of the Mint manufactures coins, receives gold and silver bullion, safeguards the Government's holdings of monetary metals, and refines gold and silver bullion. The manufacture of domestic coins is the major activity of the mint. Coins are ordered from the mint by the Federal Reserve Banks in quantities required for the country's business transactions. Thus, the volume of the Coinage Program is determined by the public need for coins. Funds requested in this budget will permit for production of approximately 18.4 billion coins in fiscal year 1986.

BUREAU OF PRINTING AND ENGRAVING

The Bureau of Printing and Engraving is the world's largest securities manufacturing establishment. The operations of the Bureau are currently financed by means of a revolving fund. This fund is reimbursed by other Government agencies for the direct and indirect cost of the Bureau, including its administrative expenses, incidental to performing the work or services requisitioned.

Public Law 95–81, July 31, 1977 (31 U.S.C. 181a) increased the Bureau's fund, and additionally authorized the establishment of reimbursement prices from customer agencies at a level which will provide fund-

ing for the acquisition of capital equipment and future working capital. This should preclude future requests for appropriations.

The Bureau designs, manufactures, and supplies most of the major evidences of a financial character issued by the United States. It is the sole source of U.S. currency, various public debt instruments, as well as most other evidences of a financial character issued by the United States, such as postage and internal revenue stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps. It conducts extensive research and development programs for improving the quality of products, reducing manufacturing costs, and for strengthening deterrents to the counterfeiting of Government securities. It manufactures inks and plates used for its products; purchases materials, supplies, and equipment; provides maintenance services for its buildings and plant machinery and equipment; and stores and delivers its products in accordance with requirements of customer agencies. The Bureau is responsible for the accountability and destruction of its security waste products. The Bureau also renders services to other Government agencies such as security, custodial, and elevator services in areas of one of its buildings occupied by another Treasury bureau.

The budget estimates are determined primarily by two factors; namely, (1) the volume of production of the various items needed to meet the estimated requirements of customer agencies, and (2) the unit cost of manufacturing each type of item produced. The unit cost of production of each item manufactured is developed through a detailed system of cost accounting, and adjusted to reflect all known factors which will affect the cost of production during the current and budget years. Such factors include pay rate and material price increases expected to occur during the current year, as well as estimated savings resulting from improvements in production procedures.

Bureau of the Public Debt

ADMINISTERING THE PUBLIC DEBT

1985 appropriation to date	$198,752,000
1986 budget estimate	199,215,000
House allowance	197,225,000
Committee recommendation	195,225,000

The Committee recommends an appropriation of $195,225,000 for the Bureau of the Public Debt. The Committee recommendation is $3,990,000 below the budget estimate and $2,000,000 under the House level.

The Bureau of the Public Debt is responsible for administering the laws and regulations pertaining to public debt financing and operations within the framework of policies established by the Secretary of the Treasury. The Bureau's primary concerns are with the issuance, servicing, and retirement of public debt securities, and accounting for the public debt and its related interest cost. It also has a general responsibility for the conduct or direction of transactions in public issues of those Government agencies for which the Treasury acts as agent.

The Committee recommends that savings can be made in travel, transportation of persons, equipment, other services, and lower priority areas.

SAVINGS BOND DIVISION

The mission of the U.S. Savings Bonds Division is to reduce Federal spending by promoting the sale and retention of U.S. savings bonds. In addition to helping the U.S. Government finance its debts in the least expensive and least inflationary way possible, savings bonds provide Americans with an effective, systematic way to save through the payroll savings plan. The program is also intended to create a partnership of direct participation of American business. labor, banking, media, and community groups, as well as to provide the opportunity for all citizens to voluntarily participate in the financing of their Government.

PARKERSBURG, WV, FACILITY

The Parkersburg facility handles a considerable number of U.S. savings bond transactions. The Treasury Department has been reviewing the possibility of moving some of the Washington-based functions to Parkersburg in coming years. It appears that the availability of space and the available work force would make this move feasible. The Committee, therefore, directs the Department to accelerate and expedite the review of the relationship between the work force at Parkersburg and the work force at headquarters with a view to shifting functions to the Parkersburg facility to make maximum use of existing space and staff and report back to the Committee by January 20, 1986.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

1985 appropriation to date	$106,310,000
1986 budget estimate	98,811,000
House allowance	95,932,000
Committee recommendation	94,000,000

The Committee recommends an appropriation of $94,000,000. The Committee recommendation is $4,811,000 below the budget request and $1,932,000 below the House approved level.

The salaries and expenses appropriations provides funding for policy formulation and executive direction of the Internal Revenue Service, for management services, and for the centralized direction of activities which perform independent reviews of operations and protect the integrity of the Service. The appropriation consists of two activities: executive direction and management services.

The budget submission proposes a reduction of 136 average positions from the fiscal year 1985 level. The Committee approves that recommendation. The Committee has provided $500,000 to remain available for completion of research projects which analyze the specific nature of particular tax gap components, address areas that represent new or potential areas of noncompliance, and identify factors affecting compliance.

PROCESSING TAX RETURNS

1985 appropriation to date	$996,060,000
1986 budget estimate	1,019,391,000
House allowance	1,103,041,000
Committee recommendation	1,005,000,000

The Committee recommends an appropriation of $1,005,000,000, a reduction of $14,391,000 below the fiscal year 1986 request and $98,041,000 below the House figure.

Funds in this appropriation are used for processing tax returns, accounting for tax revenue, issuing notices and refunds, and processing information returns for the Document-Matching Program. The computer service provides developmental assistance to modernize the mainline system.

The House increased this account by $104,800,000 over the original budget request in order to add 2,819 positions. The Committee believes this increase is not warranted at this time. The IRS has had problems during the past tax year. However, when the computer systems problems have been worked out, processing of tax returns should be greatly streamlined. Adding personnel to this account is a reversal of the program of further automation which has been ongoing since 1981. The Committee believes that if positions are to be added they should be concentrated in the Examination and Appeals and Investigations, Collections and Taxpayer Service accounts.

EXAMINATIONS AND APPEALS

1985 appropriation to date	$1,380,486,000
1986 budget estimate	1,419,451,000
House allowance	1,425,902,000
Committee recommendation	1,400,000,000

The Committee recommends an appropriation of $1,400,000,000 for examination and appeals activities in fiscal year 1986, which is $19,451,000 below the budget estimate and $25,902,000 below the House total.

The examinations and appeals appropriation provides resources to examine tax returns and to administratively settle taxpayer appeals of the examination findings. Examinations and appeals play a central role in the continued effectiveness of our self-assessment tax system and the fair and equitable application of the tax laws. The Service must examine taxpayers' books and records to determine the correctness of taxpayers' returns. In those instances where the taxpayer disagrees with examination findings, the Appeals Program provides an independent administrative review. The objective is to reach an impartial settlement, fair to the taxpayer and the Government, without the necessity of litigation.

The appropriation also provides independent administrative review of contested assessments and represents the IRS in the litigation process. Under the approved realignment, this account now includes the employee plans and exempt organizations activities which previously has been included in the investigations and collections appropriation.

The House action provides an increase of 825 positions over the budget request. The Committee recommendation will allow the Service to accomplish its goals as originally outlined in the budget submission.

INVESTIGATIONS, COLLECTIONS, AND TAXPAYER SERVICE

1985 appropriation to date	$1,091,741,000
1986 budget estimate	1,073,679,000
House allowance	1,064,325,000
Committee recommendation	1,055,000,000

The Committee recommends an appropriation of $1,055,000,000 for investigations and collections activities in fiscal year 1986. The Committee recommendation is $18,679,000 below the budget request and $9,325,000 below the House figure.

The account includes funds for the following four activities—tax fraud investigations, collection, taxpayer service, and enforcement litigation and rulings. The tax fraud investigations activity is responsible for enforcement of criminal statutes relating to violation of internal revenue laws. The collection activity provides for collecting unpaid accounts, as well as securing unfiled tax returns and payments. The taxpayer service provides information and assistance to taxpayers to assist them comply with the tax laws. Enforcement litigation and rulings provides legal support for the IRS. Taxpayer service has been included in this restructured account, while employee plans and exempt organizations has been transferred to the examination and appeals appropriation.

The House has added 275 positions to this account. The Committee has provided funding to carry out activities outlined in the original budget request. Special emphasis will be placed on fraudulent tax schemes and shelters and organized crime and narcotics trafficking.

TAX COUNSELING FOR THE ELDERLY

The Committee believes the Tax Counseling Program for the elderly has proved most successful. To meet the goals of this program $2,200,000 is included. To insure that the full effect of the program is accomplished, the IRS should cover administrative expenses within existing funds.

RESTORATION OF PAY REDUCTION

The original budget submission proposed a pay reduction of 5 percent for Federal employees. The Congress has not agreed to that proposal. Subsequently the President has submitted a budget amendment to provide adequate funding to sustain pay levels. The amount in the request column reflect the adjusted totals. The House did not address the pay issue in its bill. The Committee has reviewed it and recommends approximately 50 percent of the total in the IRS accounts.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

1985 appropriation to date	$292,649,000
1986 budget estimate	290,340,000
House allowance	283,805,000
Committee recommendation	298,805,000

The Committee recommends the appropriation of $298,805,000 for the U.S. Secret Service. The Senate proposal is $8,465,000 above the budget estimate and is $15,000,000 above the House reported figure.

The Secret Service is responsible for protection of the President and other officials, investigating counterfeiting of currency and check forgeries, and protection of the White House and other buildings in Washington, DC.

The Service is a labor-intensive organization whose special agent personnel have the dual responsibilities of guarding the lives of this country's highest public officials, world leaders, and taking action against those who would undermine the Nation's currency and securities. The Secret Service is preparing to take on, and in recent years has taken on, additional investigative responsibilities, notably those related to electronic funds transfer, computer fraud, credit and debit card fraud, and food stamps fraud, and has had a very significant increase in investigations related to protective intelligence matters along with the requirement to provide protection in an ever-escalating climate of global terrorism.

U.S. SECRET SERVICE ROLE IN COUNTERTERRORISM

As a law enforcement agency responsible for protection of the President, Vice President, and other high-level officials, plus the Washington metropolitan area diplomatic community, the Secret Service has a vested interest in terrorist threats and underlying activity which may cause harm to our protectees. A recent speech by U.S. Secret Service Director John Simpson, addressed the Service's role in relation to terrorism:

> There is no question that terrorism has impacted heavily on the Service's responsibility and made our job more difficult and complex * * * we, too, are directly affected in three distinct areas: First, because of the numerous people we protect—(our own Nation's leaders and those from other countries who visit the United States); second, because of the foreign missions and facilities in the Washington, DC, area—which are under our protection; and third, because of the danger to our own agent personnel.

Therefore, the Secret Service's role in alliance with other agencies such as the FBI, ATF, and Customs, to develop advanced counterterrorist capabilities cannot be disputed. Recent terrorist actions have also been purveyors of possible harm to both Secret Service protectees and foreign missions. The Service's mandated obligation to provide uncom-

promised protection is another determining factor which draws the Service into the antiterrorism war and calls for upgraded counterterrorist programs.

Therefore, the Committee has added an additional $15,000,000 over the President's revised budget request to allow the Secret Service to enhance its capabilities to investigate terrorist threats to its protectees within its existing statutory authorities. Specifically, the Committee has recommended full restoration of the $6,535,000 required to cover the 5-percent pay cut initially proposed in the President's February budget submission, and which has subsequently been restored by the President. The balance of the funding provided shall be used by the Secret Service to improve the ability of its Special Agent and Uniformed Division work force to enhance its ability to provide security against terrorist threats at the White House, other Federal facilities, and in the course of its ongoing protective and investigative missions. This funding will also allow much needed equipment enhancements in fiscal year 1986. It is the intent of the Committee that the additional resources provided in this bill be used in part to address the terrorist threat and that the Secret Service report regularly to the Committee regarding its plans for carrying out counterterrorist activities.

The Committee fully expects the Secret Service to continue their ongoing efforts to coordinate counterterrorist investigations with the Federal Bureau of Investigation and other law enforcement agencies involved in antiterrorist investigations and law enforcement.

DEPARTMENT OF THE TREASURY

General Provisions

The Committee recommends retaining sections 101, 102, 103, and 105 which have been carried in the bill for several years.

Section 104 of the House bill has been amended to allow the Department 2 percent transfer authority upon approval of the Committee, instead of the 1 percent allowed by the House.

TITLE II—UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

1985 appropriation to date	$1,209,129,000
1986 budget estimate	39,128,000
House allowance	961,121,000
Committee recommendation	801,000,000

The Committee has recommended an appropriation of $801,000,000 for payment to the Postal Service Fund in fiscal year 1986. The total is $160,121,000 below the House reported total, but is $761,872,000 over the budget request.

The Postal Service appropriation is authorized under the Postal Reform Act and traditionally has been broken down into three major categories: revenue foregone on free and reduced rate mail; nonfunded liabilities of the former Post Office Department and public service costs. The budget request calls for an appropriation of $39,128,000 for unfunded liabilities incurred prior to the Postal Reform Act of 1970. No appropriation is requested for the revenue foregone subsidy, or the public service costs.

REVENUE FOREGONE

The President's budget request includes no funding for the revenue foregone subsidy. The Postal Service indicates that an appropriation of $980,993,000 would be necessary to maintain current rates for recipients of the subsidy.

The $801,000,000 recommended by the Committee is to be applied toward the phasing schedule.

The Committee has included language which would limit the in-county rate to publications whose primary distribution (50 percent plus 1) is within the county of publication; or to any publication whose circulation is under 10,000. Further, distribution of nonsubscriber copies at the in-county rate would be limited to 10 percent of the weight of copies mailed to subscribers at the in-county rate during the calendar year.

It is intended to limit scarce Federal postal funding by encouraging the dissemination of information of a predominately local nature without imposing content regulation. This action is taken recognizing that publications distributed primarily within the county of publication are usually the primary, and often the sole source of local news and other information. This action would continue, and indeed is meant to strongly reaffirm, our 200-year-old postal policy of ensuring that the people of this Nation, particularly those in rural areas, have access to

sufficient information concerning local issues and events; such policy being based on the fundamental principle of our democracy that our Federal system cannot function properly without informed discussion of a community's local problems, needs, and interests. The limitation on nonsubscriber copies is imposed in recognition of the fact that increasingly scarce Federal funds has forced Congress to even further restrict the privilege of sampling at the in-county rate. It should be noted that this action does not limit a publication's right to distribute, but simply restricts the type of material that may be sent at rates supported by Federal funds.

Experience shows that the appropriation problem faced yearly with the subsidy must be addressed. The subsidy has grown considerably in the past few years. There is no doubt that the intent of the subsidy is sound. However, it can also be documented that problems have arisen with regard to eligibility of recipients; mailing practices of recipients, and charges levied against the appropriation by the Postal Service. Legislative review and revision is necessary. That action was contemplated during consideration of the budget resolution. Failure to address the issue as of this time has placed the Committee in the funding dilemma it currently faces. The Committee, therefore, requests the appropriate legislative committees to address the issue at the soonest possible date.

The following table reflects the effect on subsidized mail rates of the President's budget estimate and the appropriation levels discussed by the Committee:

PREFERRED PRICE LEVELS AND PERCENTAGE INCREASES, FISCAL YEAR 1986
ILLUSTRATIVE EXAMPLES[1]

	Old step 14 prices	At full funding[2] included in the bill		$801 million appropriation[3]	$500 million appropriation[4]	OMB proposal[5]	Regular (commercial rates)
		New step 14 prices	New step 15 prices				
Second-class publications:							
In-county (cents)	3.6	4.8	5.5	6.3	8.9	13.1	13.1
Percent			14.6	31.3	85.4	172.9	172.9
Nonprofit (cents)	6.6	6.2	7.2	8.1	10.1	8.2	13.0
Percent			16.1	30.6	62.9	32.3	109.7
Classroom (cents)	6.7	8.7	9.9	11.1	15.5	11.2	22.2
Percent			13.8	27.6	78.2	28.7	155.2
Science of agriculture (cents)	8.4	12.3	12.3	12.3	12.6	12.3	13.1
Percent			0.0	0.0	2.4	0.0	6.5
Limited circulation (cents)	7.2	7.2	8.2	9.2	10.8	9.3	13.1
Percent			13.9	27.8	50.0	29.2	81.9
Third-class nonprofit:							
Carrier route presort (cents)	3.3	3.4	4.1	4.7	6.2	4.8	8.3
Percent			20.6	38.2	82.4	41.2	144.1
Presorted to 5 digits (cents)	4.3	4.9	5.6	6.2	7.8	6.3	10.1
Percent			14.3	26.5	59.2	28.6	106.1
Required presort (cents)	5.2	6.0	6.7	7.3	9.4	7.4	12.5
Percent			11.7	21.7	56.7	23.3	108.3
Fourth-class library rate	$0.47	$0.54	$0.60	$0.67	$0.77	$0.67	$0.94
Percent			11.1	24.1	42.6	24.1	74.1

[1] Percentage increases from new step 14 prices (effective Feb. 17, 1985) are provided below the prices.
[2] Step 14 prices remain until July 6, 1986, with a 1-step increase on that day.
[3] Most prices are slightly lower than step 16 levels. However, in some instances the condition that rates be set in tenths of cents requires rounding up to step 16 levels.
[4] Prices are between the step 16 and regular (commercial) rate levels.
[5] Regular rates for in-county. All other preferred prices are increased to step 16.

PUBLIC SERVICE SUBSIDY

The Committee notes that the Postal Service requested no funds for public service costs specified in the Postal Reorganization Act of 1970. Appropriations for public service were initially authorized by Congress in the act of 1970 to provide for "a maximum degree of effective and regular postal services nationwide, in communities where post offices may not be deemed self-sustaining, as elsewhere." The Committee is most pleased that the Postal Service has reached such a plateau since the reorganization, however, it does not mean the Committee will retreat from its historic position that the public service subsidy is an essential ingredient in helping to maintain postal services such as 6-day delivery and small post office operations in small and rural communities where mail delivery is particularly important to their citizens. The Committee has directed continuation of 6-day service and operation of small post offices in the bill.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT

1985 appropriation to date	$250,000
1986 budget estimate	250,000
House allowance	250,000
Committee recommendation	250,000

The fiscal year 1986 budget request for compensation of the President is $250,000. This amount includes $200,000 for the direct salary of the President as authorized by 3 United States Code 102, and a $50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered as taxable to the President.

The Committee concurs with the House in recommending the full budget request of $250,000 for compensation of the President.

OFFICE OF ADMINISTRATION

1985 appropriation to date	$16,240,000
1986 budget estimate	15,794,000
House allowance	15,597,000
Committee recommendation	15,597,000

The Committee recommends an appropriation of $15,597,000.

The Office of Administration [OA] was created in 1977 under Reorganization Plan No. 1 and Executive Order 12028. The purpose of the Office of Administration is to provide common, centralized administrative support and services to all of the organizations in the Executive Office of the President [EOP], and on request, services in direct support of the President. Ten separate agencies are in the EOP. Services which OA will provide to those organizations include personnel management, financial management, office services and operations, information and records management, and data processing. This request will provide for 163 permanent positions, of which 24 are funded by reimbursements for systems development work. Except for an increase of 2 reimbursable positions to the existing 22, the staffing level remains the same as fiscal year 1985.

THE WHITE HOUSE OFFICE

1985 appropriation to date	$25,189,000
1986 budget estimate	25,499,000
House allowance	24,906,000
Committee recommendation	24,906,000

The Committee recommends an appropriation of $24,906,000 for the White House Office.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. This funding level will provide for 322 full-time permanent positions, the same number authorized in fiscal year 1985. Public Law 95–570 authorized appropriations for the White House Office and codified the activities of the White House Office.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

1985 appropriation to date	$4,658,000
1986 budget estimate	4,719,000
House allowance	4,577,000
Committee recommendation	4,577,000

The Committee recommends an appropriation of $4,577,000 for the Executive Residence at the White House.

These funds provide for the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electrical power and fixtures of the Executive Residence. The personnel funded from this account include cooks, gardeners, and other personnel involved in the day-to-day operation of the Executive Residence at the White House and official and ceremonial function expenses of the President to be expended and accounted for as provided by 3 United States Code 105, 109–110, 112–114. A total of 93 full-time work-years are provided this year.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

1985 appropriation to date	$219,000
1986 budget estimate	204,000
House allowance	204,000
Committee recommendation	204,000

The Committee recommends an appropriation of $204,000 for the Official Residence of the Vice President, equal to the fiscal 1986 budget request.

This appropriation provides for the purchase, lease, and operation of appropriate equipment, furnishings, improvements, alterations, maintenance, repairs, services, and other provisions as may be required under the supervision of the Vice President to enable him to perform and discharge appropriately the duties, functions, and obligations associated with his office. The appropriation also includes $60,000 for official entertainment expenses of the Vice President.

Special Assistance to the President

1985 appropriation to date	$1,676,000
1986 budget estimate	1,694,000
House allowance	1,659,000
Committee recommendation	1,794,000

The Committee recommends an appropriation of $1,794,000 for special assistance to the President. The Committee recommendation is $100,000 larger than the budget request and $135,000 more than the House allowance.

This appropriation is to provide for a staff for the Vice President to carry out his executive branch functions and to enable the Vice President to provide assistance to the President. This funding will provide for a staff of 24 full-time permanent positions. This assistance takes the form of directed and special Presidentially assigned functions.

The Vice President serves as a member of the President's Cabinet and acts as Chairman when the President is absent (designated by the President) and he serves as Vice Chairman of the National Security Council (designated by the President) (member of NSC—National Security Act of 1947); he is also an adviser to the President on issues and national problems and assists the President in ceremonial functions and in the conduct of international affairs.

The Vice President also has a staff funded by the Senate for his duties in the legislative branch.

Council of Economic Advisers

1985 appropriation to date	$2,560,000
1986 budget estimate	2,381,000
House allowance	2,301,000
Committee recommendation	2,301,000

The Committee recommends an appropriation of $2,301,000 for salaries and expenses of the Council of Economic Advisers.

The Council of Economic Advisers analyzes the national economy and its various segments, advises the President on economic developments, recommends policies for economic growth and stability, appraises economic programs and policies of the Federal Government, and assists in preparation of the annual Economic Report of the President to Congress.

The Council of Economic Advisers had 38 positions authorized for fiscal year 1985. This appropriation will fund 33 full-time permanent positions.

Office of Policy Development

1985 appropriation to date	$3,020,000
1986 budget estimate	2,828,000
House allowance	2,726,000
Committee recommendation	2,726,000

The Committee recommends the budget request of $2,726,000 for the Office of Policy Development.

The Office of Policy Development is charged with advising and assisting the President in the formulation, evaluation, and coordination of national domestic policy. The Office of Policy Development has the central role in formulation of domestic policy and is responsible for coordinating and supporting the Cabinet Councils and for supporting the President's Economic Policy Advisory Board. The Office also provides support for several other functions within the Executive Office of the President, including planning and evaluation, Cabinet affairs, and drug abuse policy.

This budget proposes a reduction of six full-time equivalent positions from fiscal year 1985, or 44 compensable work-years.

National Security Council

1985 appropriation to date	$4,605,000
1986 budget estimate	4,748,000
House allowance	4,627,000
Committee recommendation	4,627,000

The Committee recommends an appropriation of $4,627,000 for the salaries and expenses of the National Security Council.

The primary purpose of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. Subject to direction by the President, it is the responsibility of the Council to assess and appraise the objectives, commitments, and risks of the United States in relation to actual and potential military power, to consider policies on matters of common interest to the departments and agencies of the Government, and to make recommendations and other reports to the President.

National Critical Materials Stockpile Council

SALARIES AND EXPENSES

1985 appropriation to date	$200,000
1986 budget estimate	
House allowance	500,000
Committee recommendation	250,000

The House proposed an appropriation of $500,000 to fund a National Critical Materials Stockpile Council within the Executive Office of the President.

The Committee agrees that action must be taken to coordinate the Nation's stockpile decisions. It recommends an appropriation of $250,000.

Office of Management and Budget

SALARIES AND EXPENSES

1985 appropriation to date	$38,852,000
1986 budget estimate	39,420,000
House allowance	37,689,000
Committee recommendation	36,909,000

The Committee recommends an appropriation of $36,909,000. The Committee recommendation is $2,511,000 below the budget estimate and $780,000 under the House allowance.

The Office of Management and Budget assists the President in the discharge of his budgetary, management, and other executive responsibilities. The Office performs the function of assisting the President in the preparation and execution of the Federal budget. The Office also provides the President with an institutional staff capability in executive management—particularly in program evaluation and coordination, Government organization, and information and management systems.

MARKETING ORDERS

Marketing orders which are authorized under the Agricultural Marketing Agreement Act of 1937, have made valuable contributions to the stability of many of our agricultural commodity markets. In addition to assuring orderly markets for both producers and consumers, marketing orders have provided for quality control standards, research and promotional programs, and supply management programs.

The Agricultural Marketing Agreement Act of 1937 gave direct supervision and control over the management of marketing orders to the U.S. Department of Agriculture. The Office of Management and Budget has never been given any legislative authority over marketing orders. OMB has attempted to become involved in the management of marketing order programs through the President's task force on regulatory review in recent years. The Committee has included language prohibiting OMB from acting with regard to marketing orders. The purpose of this language is to reaffirm USDA's sole authority in an area where they have developed the necessary expertise and trained personnel over the years to effectively monitor and enforce agricultural marketing order programs.

TRANSCRIPT REVIEW

The Committee has struck language included by the House which prohibits OMB from reviewing certain transcripts.

OFFICE OF FEDERAL PROCUREMENT POLICY

1985 appropriation to date	$1,630,000
1986 budget estimate	1,656,000
House allowance	1,611,000
Committee recommendation	1,611,000

The Committee recommends an appropriation of $1,611,000 for the Office of Federal Procurement Policy.

The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

The Office of Federal Procurement Policy funds the Federal Acquisition Institute to serve as the interagency focal point for promoting and coordinating Government-wide planning, development, implementation, and evaluation of programs in procurement, research, education and training, and career development.

UNANTICIPATED NEEDS

1985 appropriation to date	$1,000,000
1986 budget estimate	1,000,000
House allowance	1,000,000
Committee recommendation	1,000,000

The Committee recommends an appropriation of $1,000,000 for unanticipated needs, the full amount of the fiscal year 1986 budget request.

These funds enable the President to meet unanticipated needs in furtherance of the national interest, security, or defense.

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

1985 appropriation to date	$1,480,000
1986 budget estimate	1,484,000
House allowance	1,450,000
Committee recommendation	1,430,000

The Committee recommends an appropriation of $1,430,000 for the Administrative Conference of the United States.

The Conference is authorized on a permanent basis to assist the President, the Congress, the administrative agencies, and executive departments in improving existing administrative procedure, including achievement of needed regulatory reform. It is responsible for conducting studies of the efficiency, adequacy, and fairness of present procedures by which the Federal administrative agencies and executive departments determine the rights, privileges, and obligations of private persons. On the basis of such studies, the Conference issues formal recommendations for improvements and then encourages implementation of the recommendations through appropriate agency, congressional, or judicial action.

In addition to its research activities, the Conference also arranges for the interchange among administrative agencies of information useful in improving administrative procedures; collects, tabulates, analyzes, and publishes statistics from administrative agencies to identify and correct delays and other problems in the administrative process; and, on an ongoing basis, furnishes assistance and advice on matters of administrative procedure to the agencies, Congress, and others.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

1985 appropriation to date	$2,148,000
1986 budget estimate	2,110,000
House allowance	2,058,000
Committee recommendation	2,041,000

The Committee recommends an appropriation of $2,041,000 for the Advisory Commission on Intergovernmental Relations.

The Commission is an independent, bipartisan body which attempts to identify and analyze the causes of intergovernmental conflicts, and recommends ways of strengthening and improving the American Federal system. The Commission includes representatives of the executive, legislative, and administrative branches of all levels of government—Federal, State, and local—as well as representatives of the general public.

ADVISORY COMMITTEE ON FEDERAL PAY

1985 appropriation to date	$220,000
1986 budget estimate	222,000
House allowance	219,000
Committee recommendation	210,000

The Committee recommends an appropriation of $210,000 for the Advisory Committee on Federal Pay.

The Committee was appointed in accordance with the Federal Pay Comparability Act of 1970. The Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise. The Committee reviews the annual report of the President's pay agent and considers the recommendations of representatives of Federal employees and other officials of the Federal Government. The Committee then prepares for the President an independent report with its findings and recommendations.

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

1985 appropriation to date	$710,000
1985 budget estimate	749,000
House allowance	730,000
Committee recommendation	730,000

The Committee recommends the full budget request of $730,000 for the Committee for Purchase From the Blind and Other Severely Handicapped.

The Committee's primary objective is to increase the employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. The Committee determines which commodities and services are suitable for Government procurement from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the act.

The Committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance.

REPORTS FROM THE COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

The Committee is concerned over reports that the Committee for Purchase from the Blind and Other Severely Handicapped [CPBOSH] may be failing to provide adequately for expanding employment opportunities for blind and severely handicapped individuals. Particularly, there is evidence that blind and severely handicapped people are not recruited or promoted into management or supervisory positions in the sheltered workshops or in the central nonprofit agencies. These agencies

(National Industries for the Blind and National Industries for the Severely Handicapped) are designated by CPBOSH to operate on its behalf in administering this program and function directly under CPBOSH jurisdiction. Yet, there is evidence that the employment practices of the central nonprofit agencies (especially with respect to recruitment and promotion of blind and severely handicapped individuals) have not been closely monitored by CPBOSH. Also the Committee needs more complete financial information to assess the operations of these instrumentalities which participate substantially in the administration of the CPBOSH Program.

The Committee believes that the sheltered workshops and the central nonprofit agencies should become model employers for the utilization of blind and other severely handicapped individuals in all positions and at all levels of responsibility. To aid CPBOSH in achieving these goals, justifications submitted to the Committee, beginning with the 1987 appropriations request shall include specific data in sufficient detail to make possible a comparison of employment opportunities, pay, and benefits which the CPBOSH Program provides to: (1) blind individuals, (2) other severely handicapped individuals, and (3) other individuals who are neither blind nor severely handicapped. Specific data shall also be included to show the positions, pay, and benefits provided to blind individuals employed by National Industries for the Blind as compared to the positions, pay, and benefits provided to sighted individuals employed by that agency. Similar information shall likewise be submitted with regard to employment opportunities provided by National Industries for the Severely Handicapped.

The Committee is also advised that a substantial portion of the revenues expended to administer the CPBOSH Program are derived from commissions paid to the central nonprofit agencies from purchases made by the Government. The commission revenues finance the central nonprofit agencies and provide over 90 percent of the funding for this program. These payments derived from Federal purchases are above and beyond the amount appropriated directly for salaries and expenses of the CPBOSH. Beginning with the fiscal year 1987 appropriations request, CPBOSH is directed to submit cost information showing how the commission rate paid to each central nonprofit agency is justified. Such information shall also include the audited financial statement of each central nonprofit agency for the fiscal year just ended, a financial operating statement up to date for the fiscal year in progress, and a budget for the fiscal year in progress at the time the justifications are submitted.

Federal Election Commission

1985 appropriation to date	$13,016,000
1986 budget estimate	12,756,000
House allowance	12,433,000
Committee recommendation	12,433,000

The Committee recommends an appropriation of $12,433,000 for the Federal Election Commission [FEC].

The Commission monitors compliance with the law relative to limitations on campaign expenditures and political contributions to provide for public financing of Presidential nominating conventions and Presidential primary elections and for other purposes relative to Federal elections.

The Committee in recommending the original President's budget request of $12,433,000, is cognizant that this amount could result in some personnel cutbacks at the Commission in fiscal year 1986. Subsequent to submission of his original budget request in February, the President has submitted a supplemental budget estimate restoring the 5-percent pay cut proposed in February. The Committee has not restored this pay figure to the Commission and to a number of other agencies funded in this bill, including agencies within the Executive Office of the President.

Nevertheless, in light of the Commission's continuing heavy workload even in off-year election years, the Committee is prepared to give consideration to a supplemental appropriation for the FEC should events and workload during the course of fiscal year 1986 dictate that the Commission's work cannot be efficiently and effectively completed without additional funding. The Committee expects the Commission to notify the Committee well in advance of the annual so-called spring supplemental cycle regarding any serious shortfalls that could move the Committee to propose supplemental funding next year.

General Services Administration

Federal Buildings Fund—Limitations on Availability of Revenue

construction and acquisition of facilities

1985 appropriation to date	($150,141,000)
1986 budget estimate	(243,419,000)
House allowance	(198,444,000)
Committee recommendation	(243,419,000)

The Committee recommends a limitation of $243,419,000 for construction and acquisition of facilities in fiscal year 1986.

The "Construction and acquisition of facilities" account is designed to provide suitable facilities to house Federal agencies through direct construction of new buildings, extensions to existing buildings, acquisition of U.S. Postal Service properties, and purchase of commercial properties from the private sector. Since the beginning of fiscal year 1985, this activity funds only site acquisition and construction. Design and supervision costs will continue to be funded in the construction services activity.

The Committee has approved funding for all of the projects the House funds, plus the Federal Building in Newark. The following projects will be funded in this account:

California, Los Angeles, Federal Building, Courthouse and Parking Facility	$137,198,000
Idaho, Eastport, Border Station	2,147,000
Missouri, Overland, National Personnel Records Center Extension	48,932,000
New Jersey, Newark, Federal Building	44,975,000
Washington, Seattle, Laboratory	9,767,000

CHARLESTON, WV, FEDERAL BUILDING

The Committee believes that there is a need for a centralized location for Federal offices in Charleston, WV. Twenty-one Federal agencies are housed at 10 different locations in 69,825 square feet of leased space. Of those 10 leases, 8 are not renewable and will be expiring within the next 2 to 4 years.

The General Services Administration is directed to conduct a study of space needs in Charleston, WV, with a view toward consolidating Federal offices. This study should not only include recommendations on how to meet those needs through new Federal construction, but should also examine the option of purchase and renovation of an existing building. Such a report should be furnished to the Committee no later than November 30, 1985.

COLUMBUS, NM, BORDER STATION

The Committee has examined the justification for construction of a new border station at Columbus, NM, and believes that such a facility should be built.

However, despite the compelling case for such a facility in fiscal year 1986, the Committee believes that a prospectus and a budget estimate should be developed prior to full funding of this important facility. Therefore, the Committee directs the General Services Administration [GSA] to: (1) Immediately submit a prospectus for the Columbus, NM, border station to the House and Senate Committees on Public Works; and (2) to submit, in conjunction with the President's fiscal year 1987 Budget of the United States, a budget request covering the full cost of constructing the Columbus, NM, border station.

The Committee expects to be kept fully informed on the progress of planning for this important border station project.

SOCIAL SECURITY BUILDING IN WILKES-BARRE, PA

The Social Security Administration has been seeking for nearly 10 years to consolidate its three scattered locations in the Wilkes-Barre, PA, area. SSA's needs in Wilkes-Barre have grown from 17,000 square feet in 1947 to more than 200,000 square feet in 1985. Wilkes-Barre, the largest of three such centers in the country, processes income data for about 40 percent of the work force under Social Security.

In addition to consolidating space, SSA must modernize its annual wage reporting system, a plan which has been approved by Congress, through the acquisition of sophisticated computers. SSA cannot begin to modernize the wage reporting operations by installing a new computer system in three scattered locations. If consolidation of the SSA in

Wilkes-Barre is not accomplished, vital Social Security operations of national importance will be severely hampered now and in the future.

The Committee directs the General Services Administration to submit a proposal to Congress by December 31, 1985, providing SSA with an adequate building in Wilkes-Barre. This proposal is to include a study of construction of a new SSA building in a downtown site in Wilkes-Barre; the purchase and renovation of the Luzerne Products building, and rental of that building if renovated by the owner.

REPAIRS AND ALTERATIONS

1985 appropriation to date	($221,809,000)
1986 budget estimate	(264,096,000)
House allowance	(269,096,000)
Committee recommendation	(269,096,000)

The Committee recommends $269,096,000 for repairs and alterations in fiscal year 1986.

Under this activity, the General Services Administration [GSA] executes its responsibility for repairs and alterations of both Government-owned and leased facilities under the control of GSA.

The major goal of this activity is to provide commercially equivalent space to tenant agencies. Therefore, safety, the state of repair, appearance, and operating efficiency of facilities are given primary consideration in carrying out this responsibility. A major portion of the fiscal year 1986 program is devoted to the basic work necessary to meet this goal and to keep the buildings in an occupiable condition.

Repairs and alterations workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and buildings managers. The work identified through these inspections is programmed in order of priority into the repairs and alterations construction automated tracking system and incorporated into a multiyear plan for accomplishment based upon funding availability and volume of repairs and alterations work that GSA has the capacity to execute annually.

The Repairs and Alterations Program, for purposes of fund control, is divided into two types of projects: line item and nonline item. The following is a definition of each category of project and a brief outline of the manner in which the Repairs and Alterations Program is executed by GSA.

New obligational authority is requested as follows:

California, Hawthorne, Federal Building	$2,383,000
California, Los Angeles, Courthouse	2,570,000
Colorado, Denver, Federal Building and Customshouse	8,540,000
District of Columbia, General Accounting Office	16,200,000
District of Columbia, ICC Customs	2,262,000
District of Columbia, Steam Distribution System	13,796,000
District of Columbia, Pension Building	16,700,000
Illinois, Chicago, Kluczynski Federal Building	4,152,000
Illinois, Peoria, Federal Building	1,041,000
Indiana, Ft. Wayne, Post Office, Courthouse	5,275,000
Kentucky, Louisville, Post Office, Courthouse	5,518,000

Kansas, Wichita, Courthouse	$4,840,000
Louisiana, Lafayette, Federal Building, Courthouse	2,083,000
Maryland, Beltsville, Rowley Training Center	5,000,000
Michigan, Detroit, McNamara Federal building	7,600,000
Missouri, Kansas City, Federal Building	6,569,000
New Hampshire, Manchester, Post Office, Courthouse	1,988,000
New York, Utica, Federal Building, Courthouse	1,764,000
Ohio, Cleveland, Celebrezze Federal Building	6,507,000
Oklahoma, Oklahoma City, Federal Building, Courthouse	2,416,000
Pennsylvania, Scranton, Post Office, Courthouse	3,863,000
Puerto Rico, Hato Rey, Federal Building, Courthouse	1,683,000
Texas, Dallas, Cabell Federal Building, Courthouse	3,943,000
Texas, Dallas, Terminal Annex	4,600,000
Texas, Fort Worth, Warehouse No. 1	1,986,000
Texas, San Antonio, Post Office, Courthouse	6,078,000
Virginia, Richmond, Federal Building	1,125,000
Subtotal	140,482,000
Minor repairs	128,614,000
Total	269,096,000

The Committee has provided an appropriation to the fund of $5,000,-000 to be used for repair and alteration work at the James J. Rowley Secret Service Training Center. The House has also provided funding for this project, but has done so by using existing Federal Buildings Fund moneys. The Committee does not feel this project should be funded in this manner because funds in this account are provided through payments of the standard level user charge [SLUC], and the Center pays no SLUC. A direct appropriation has, therefore, been provided.

PURCHASE CONTRACT PAYMENTS

1985 appropriation to date	($178,911,00)
1986 budget estimate	(135,100,000)
House allowance	(135,100,000)
Committee recommendation	(135,100,000)

The Committee recommends a limitation of $135,100,000 for purchase contract payments.

Both the Public Buildings Purchase Contract Act of 1954 and the Public Buildings Amendments of 1972 enabled GSA to enter into contractual arrangements for the construction of a backlog of approved, but unfunded projects. These purchase contracts require the Government to make periodic payments on the facilities over varying periods until title is vested with the Government. This activity provides for the payment of principal, interest, taxes, and other required obligations related to facilities acquired or to be acquired pursuant to both the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Buildings Amendments of 1972 (40 U.S.C. 602a). Through enactment of these laws, GSA constructed 73 buildings.

RENTAL OF SPACE

1985 appropriation to date	($865,000,000)
1986 budget estimate	(866,000,000)
House allowance	(866,000,000)
Committee recommendation	(866,000,000)

The Committee concurs with the House and recommends a limitation of $866,000,000 for rental space. This amount reflects a decrease in the leased-space inventory of 5.8 percent below requirements in fiscal year 1985.

The General Services Administration is responsible for all functions of leasing general purpose space and land incident thereto for Federal agencies, except for cases where GSA has delegated its leasing authority (for example, the Departments of Agriculture, Commerce, and Defense may lease their own space under certain circumstances). GSA's basic policy is to lease privately owned buildings and land only when Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; when leasing proves to be more efficient than the construction or alteration of a Federal building; when construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or when completion of a new Federal building within a reasonable time cannot be assured.

The primary purpose of the Federal Buildings Fund is to make agencies responsible for the costs of the space which they occupy, and thus, cognizant of the need for significant economies in space use. To encourage such awareness GSA has intensified its efforts to improve space utilization through issuance of guidelines for establishment of agency-managed utilization programs, through the development of new space allocation standards for each agency, and through the establishment of the Space Planning Program to assist the agencies in their space assignment planning.

REAL PROPERTY OPERATIONS

1985 appropriation to date	($689,899,000)
1986 budget estimate	(710,557,000)
House allowance	(709,678,000)
Committee recommendation	(709,678,000)

The Committee recommends a limitation of $709,678,000 for real property operations.

This activity provides for the operation of all Government-owned facilities under the jurisdiction of GSA and for building services in leased space in the GSA inventory where the terms of the lease do not require the lessor to furnish such services.

Services included in building operations are cleaning, protection, maintenance, payments for utilities, fuel, and other miscellaneous activities such as grounds maintenance, elevator operations, and day-to-day servicing of tenants' needs. The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of the standard level user charge [SLUC], just as in the private sector tenants pay rent for space and services provided by lessors.

The Public Buildings Service is responsible for furnishing building services in GSA-operated facilities including cleaning, protection, elevator operations, mechanical and electrical operation and maintenance, heating and air-conditioning, and other servicing of structural components and grounds maintenance. Other related supporting services include the moving of Federal agencies as a result of space alterations in order to provide better space utilization in existing buildings; moving agencies into newly acquired space; on-site supervision of buildings services and operations; and consolidated contractual expertise and reviewing regional contracts. Further, due to considerations unique to their operation, GSA normally provides varying levels of nonreimbursable services, as appropriate, in agency headquarters' facilities, including the Executive Office of the President, located within the Washington Metropolitan area.

DELEGATED RESPONSIBILITY OF REAL PROPERTY OPERATIONS

In fiscal year 1983 a 5-year program was initiated under which operations authority for selected agency headquarter facilities within the National Capital region is to be delegated to the occupant agency. The following agencies were delegated operational responsibility for their headquarters facilities during fiscal year 1985: Central Intelligence Agency, Department of Agriculture, Housing and Urban Development, and the Federal Energy Regulatory Commission. The Veterans Administration headquarters facility will be delegated in fiscal year 1986. The costs associated with these operations have been deleted from GSA's fiscal year 1986 request. Agencies that have been delegated operational authority are to fund the cost of the delegated portions of these operations within their appropriations.

The Committee expects agencies to budget for delegated buildings and, therefore, GSA is instructed to report to the Committee by January 20, 1986, its plans for budgeting for buildings under the delegation program.

PROGRAM DIRECTION

1985 appropriation to date	($118,509,000)
1986 budget estimate	(55,689,000)
House allowance	(55,481,000)
Committee recommendation	(55,481,000)

The Committee recommends the budget request of $55,481,000 for program direction.

This activity provides for the overall general management, long- and short-range planning, and administration of all programs which are the responsibility of the Public Buildings Service. In addition, this activity finances the costs of management and administration of each of the individual activities of the Federal Buildings Fund including construction, repairs and alterations, purchase contract payments, rental of space, and real property operations. It further provides for the costs of essential supporting services for these activities which are funded on a centralized basis.

This activity supports all Public Buildings Service personnel-related costs incident to the direct Federal Buildings Fund programs, with the exception of those costs incurred by employees engaged in the day-to-day operation, maintenance, and protection of facilities, which are reflected in the real property operations activity. Program direction finances personnel and other related support costs pertaining to (1) acquisition, assignment, and utilization of space, and design and construction services in support of the real estate function; (2) buildings management, repairs and alterations, protection, and public utilities programs in support of the real property operations function; (3) long- and short-range planning and general management of all activities under the overall direction function; and (4) associated costs for Department of Labor payment for employees compensation, unemployment compensation, personnel benefits, ADP services, contractual services, telecommunication and miscellaneous services which support all aspects of the Federal Buildings Fund Program under the centralized services function.

DESIGN AND CONSTRUCTION SERVICES

1985 appropriation to date	($59,596,000)
1986 budget estimate	(123,094,000)
House allowance	(123,094,000)
Committee recommendation	(133,227,000)

This budget activity provides for the direct funding, under a no-year authorization, of both in-house and contract costs of the design and management/inspection phases of new construction and repairs and alterations projects as well as nonproject-related technical services. This activity replaces funding for such services which was previously included in individual projects.

Fiscal year 1985 was the first year of operation for this budget activity and it proved most effective as a control feature. In fiscal year 1983 and fiscal year 1984 the costs of architectural/engineering [A/E] services, both in-house and contract, were funded by each individual project requiring such services (for example construction and acquisition of facilities, repairs, and alterations). This new funding approach represents a new method of funding personnel and contractual costs. This activity does not represent a new program, but a mechanism for funding in-house personnel costs and A/E contractual costs for ongoing programs. This account will provide design funds for projects requested in the budget submission and additional projects authorized by the Senate.

The Committee has approved funding for all of the projects and added funding for a project in Oakland, CA, and Mesa, AZ.

CITY OF MESA, AZ, POST OFFICE AND GOVERNMENT SERVICES BUILDING

The Committee has recommended an appropriation of $2,000,000 for design and architect-engineering work on a multipurpose Postal Service/Government Services Building complex in Mesa, AZ—a proposal that if agreed to by all parties will be funded almost entirely by the city of Mesa and the U.S. Postal Service, with the General Services Administration locating Federal Government tenants in the building upon

completion. The funding recommended by the Committee for fiscal year 1986 will be the only Federal contribution to this project which will service the entire East Valley cachment area in Arizona.

Over the past year, the city of Mesa, the Postal Service, and the General Services Administration have been negotiating to address the expansion needs of both the Postal Service and the General Services Administration in the Mesa metropolitan area. The city of Mesa has formulated an innovative proposal for not only meeting the long-term expansion requirements of the Postal Service, but also any future expansion needs of the General Services Administration in the East Valley area. Realizing the rigid budget restraints being imposed on the Federal budget, the mayor, chamber of commerce, and other private sector officers in the city of Mesa have collaborated on an office building initiative that should serve as a model of how the private sector and a major city can provide the incentives to house Federal, State, local, and Postal Service space at little cost to the American taxpayers.

Specifically, the city of Mesa has proposed the following to meet the Postal Service's expansion needs in the Mesa metropolitan area and the current and future space requirements of Federal agencies handled by the General Services Administration:

1. The city of Mesa will construct an 87,000-square-foot post office facility and a one-level parking garage for post office vehicles;
2. Postal Service will pay annual payments for a 20- to 30-year amortization schedule at best available financing;
3. Postal service building and garage will be sold to the Postal Service at the end of the payment period for $1.
4. The city of Mesa and Postal Service will construct a 100,000- to 250,000-square-foot Federal/municipal/State office tower adjacent to the new post office as a joint venture project;
5. City of Mesa will guarantee debt service on the joint venture tower for a period of 5 years;
6. All lease payments will be shared equally between Postal Service and the city, after the city's debt service deficit has been repaid;
7. The post office and city will continue joint venture project until building is paid off;
8. GSA shall move all existing Federal tenant agencies into the new office tower at low square foot costs.

The project is estimated to cost as much as $25,000,000, with all but the $2,000,000 appropriated in this bill, coming from a combination of city of Mesa funds and Postal Service funds. This project will meet all foreseeable expansion requirements of the Postal Service and accommodate all of GSA and the city's office space needs for the near future.

The Committee believes that this office project has the potential to serve as a prototype for Federal office space and Postal Service projects for the future. Therefore, the Committee believes that the small, one-time appropriation of $2,000,000 is an excellent investment by the Fed-

eral Government in addressing its office space problem at the lowest possible cost to the taxpayers.

The Committee directs the GSA and the Postal Service to keep the Committee informed on a regular, ongoing basis if and when plans for implementing this proposal are developed in fiscal year 1986.

Review of the Federal Buildings Fund

The Committee has tried for a long period of time to garner control over the amount the Federal Government pays for space, either in owned or leased property. It has been the belief that agencies within the Federal Government should be held accountable for the space they occupy. Therefore, an amount is included within each agency's budget request to pay for the space.

The General Services Administration, pursuant to the Public Buildings Act of 1972 (Public Law 92–313), acts as the Government's landlord and builder. In contrast to other programs funded through a direct appropriation, the activities of the Federal buildings program are financed through a rent-like program paid by agencies and referred to as the standard level user charge [SLUC]. These annual collections are deposited in the Federal Buildings Fund. Expenditures are made from this revolving fund for activities such as construction, alterations and repairs, rent, cleaning, utilities, protection, and other expenses associated with the operation and maintenance of Federal office buildings.

Personal Property, Operating Expenses

1985 appropriation to date	$160,700,000
1986 budget estimate	164,610,000
House allowance	164,257,000
Committee recommendation	163,257,000

The Committee recommends an appropriation of $163,257,000.

This appropriation provides for governmentwide direction and coordination of a worldwide supply distribution system; management of supplies and personal property; transportation and travel management; vehicle fleet management; and property management activities for utilization, rehabilitation, and donation of Federal personal property.

1. *Supply.*—This activity provides for the operation of a worldwide supply system to contract for and distribute supplies and property to Federal agencies.

2. *Transportation.*—This activity provides a comprehensive governmentwide program for transportation and travel management, operation, and maintenance of motor equipment to meet the requirements of Federal agencies, development and execution of the automotive procurement function of the Government. Vehicle procurement functions and oversight responsibilities in direct support of the interagency motor pool system are financed through the General Supply Fund.

3. *Property management.*—This activity plans, directs, and coordinates on a worldwide basis programs and activities relating to maximum utilization of excess personal property; rehabilitation and reclamation of

personal property; the transfer of surplus personal property for donation to the States and local organizations for public purposes and other purposes; and the disposal of excess Federal personal property (except DOD property) by sale.

4. *Service direction*—This activity provides executive leadership, management direction, and nationwide support for a National Supply Program, a governmentwide program for transportation/travel management and property management within the Office of Federal Supply and Services. It also develops policy and provides nationwide support services in the areas of budget administration, financial management, data systems, forecasting, management information systems, and economic analysis.

Federal Property Resources Service

OPERATING EXPENSES

1985 appropriation to date	$38,921,000
1986 budget estimate	40,808,000
House allowance	40,748,000
Committee recommendation	40,000,000

The Committee recommends an appropriation of $40,000,000.

This appropriation funds staff for the acquisition, administration, and disposal of national defense stockpile inventories; administration and disposal of the Defense Production Act inventory; and utilization and disposal of excess and surplus real property in 1986.

The estimate provides for storage, maintenance, and inspection of stockpile materials; disposal of those stockpile materials excess to objectives and the acquisition of materials needed to meet objectives; the appraisal of real property; and continuing emphasis on reuse of existing real property to extend its useful life.

1. *Stockpile management.*—This activity manages the national defense stockpile of strategic and critical materials required to keep the Nation's mobilization base viable. It includes costs of receiving, storing, inspecting, and maintaining the material in storage locations.

2. *Stockpile transactions.*—This activity develops and implements plans and programs to acquire and dispose of stockpiled materials in accordance with statutory provisions. It includes the collection of technical, economic, and marketing data and an analysis of factors such as supply, demand, consumption, prices, specifications, and quality; these activities support the development of marketing and acquisition plans and programs, which are then implemented by the conduct of transactions in the commodities market.

3. *Real property.*—This activity promotes maximum utilization of real property by Federal agencies and minimizes new procurements of real property by transferring available excess property among agencies. It provides for the disposal of surplus real property by sale, exchange, lease, permit, assignment, or transfer, as well as the protection and maintenance of excess and surplus property pending its disposition. It also provides for the appraisal of excess and surplus property, necessary

environmental and cultural analyses, disposition and predisposition reuse planning, and real property utilization surveys.

National Defense Stockpile Transaction Fund

(Limitation on Availability of Revenue)

1985 appropriation to date	($185,000,000)
1986 budget estimate	
House allowance (limitation)	(10,000,000)
Committee recommendation	

No funding limitation was requested by the administration. The Committee struck the $10,000,000 included by the House to establish a strategic minerals research facility at the University of Massachusetts at Amherst.

This fund was established by the Strategic and Critical Materials Stock Piling Act (Public Law 96–41) approved July 30, 1979, to finance the acquisition of strategic and critical materials and related transportation costs out of receipts from disposal sales of excess stockpile materials and to provide for the rotation of any material in the stockpile when necessary to prevent deterioration by replacement of the material with an equivalent quantity and substantially the same material.

This act was amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) which provided for: (1) payment of incidental expenses related to acquisition of materials; (2) availability of funds until expended unless otherwise provided in appropriation acts; (3) a limitation on the fund balance; and (4) requirements for certain plans and reports to be submitted to Congress.

The purpose of this fund is to provide for the acquisition of certain strategic and critical materials to preclude the dependency of the United States upon foreign sources for supplies of such materials in times of a national emergency. Related operating expenses are provided under the appropriation Federal Property Resources Service, operating expenses.

General Management and Administration

SALARIES AND EXPENSES

1985 appropriation to date	$136,597,000
1986 budget estimate	123,598,000
House allowance	124,310,000
Committee recommendation	124,310,000

The Committee recommends an appropriation of $124,310,000, an increase of $712,000 over the budget estimate.

This appropriation provides for policy direction and coordination of all GSA programs by the Administrator, his Deputy, 11 regional administrators, and congressional and external affairs; agencywide acquisition policy, planning, and coordination; and financing of administrative and financial services on a centralized and integrated basis for all GSA programs.

The major portion of the reduction in this account is attributed to the creation of the National Archives and Records Administration. Prior to creating an independent agency to handle the Nation's archives, this account provided those management services.

SUPPORT FOR CONGRESSIONAL STATE AND DISTRICT OFFICES

The GSA has recently incurred unreimbursable costs for support of congressional State and district offices of approximately $900,000 annually. The Committee concurs with the House in appropriating this sum and its directive to the GSA to budget for this item in future years.

OFFICE OF INFORMATION RESOURCES MANAGEMENT

OPERATING EXPENSES

1985 appropriation to date	$33,348,000
1986 budget estimate	30,723,000
House allowance	30,630,000
Committee recommendation	30,000,000

The Committee recommends an appropriation of $30,000,000.

This appropriation provides for the overall direction and coordination of comprehensive governmentwide programs for the management, procurement, and utilization of automated data processing, telecommunications, and office information equipment and services.

1. *Federal information resources management.*—This activity develops, plans, and directs governmentwide programs for the management and acquisition of Federal information resources. Develops and monitors governmentwide policies and regulations relative to the acquisition, management, and use of information resources. Plans, directs, and develops policies and regulations for improving Federal records and information management programs. Provides reimbursable technical assistance to Federal agencies on records and information problems.

2. *Central information services.*—This activity manages and directs data and information systems; provides data and information services; operates programs for the improvement of governmentwide software; and provides near-term planning, applied research and development, engineering, operation, and management of the Federal telecommunications system [FTS].

3. *Information resources procurement.*—This activity provides for the overall management, control, and coordination of governmentwide programs and activities relating to the procurement of ADP and telecommunications equipment, software, maintenance, and related supplies and services; the implementation of governmentwide ADP resources sharing programs; and the management of reimbursable ADP and telecommunications procurement programs financed through the Automatic Data Processing [ADP] Fund and the Federal Telecommunications Fund.

4. *Regional information services.*—This activity is the focal point for OIRM regional activities; provides for the overall management, control, and coordination of governmentwide programs and activities relating to

the operation, maintenance, and utilization of local telecommunications equipment and services; provides for the management of reimbursable programs financed through the Federal Telecommunications Fund; and provides assistance to the public through the Federal Information Centers.

5. *GSA information systems.*—This activity develops and oversees GSA policy concerning the acquisition, development, and use of automated information systems, equipment, and facilities within the guidelines established by the Executive Steering Committee for Information Resources Management; it insures that the GSA ADP strategic plan is kept current; and that initiatives undertaken are consistent with the plan; develops and enforces standards and procedures to be used by GSA organizations in the central and regional offices in the acquisition, development, and use of automated information systems, equipment, and facilities; provides assistance and support to GSA organizations whose level of ADP activity does not warrant a full-time ADP staff, or to those who require support of a special nature; and manages internal common-use ADP and data communications facilities.

Office of the Inspector General

1985 appropriation to date	$21,438,000
1986 budget estimate	19,369,000
House allowance	19,305,000
Committee recommendation	19,305,000

The Committee recommends an appropriation of $19,305,000 for the Office of the Inspector General.

The Office of Inspector General [OIG] implements in its entirety the provisions of the Inspector General Act of 1978.

Prior to the establishment of the Office of Inspector General, the unique disciplines of auditing, investigations, and inspections were disparate by functional as well as organizational separation. The implementation of the inspector general concept within the General Service Administration provided the ability to organize these disciplines and activities as multidisciplinary, programmatic teams and task forces independent from the influence of services and staff offices. According to GSA testimony in the past, the limited staffing resources assigned to the Office of Audits have seriously curtailed audit programs. Many agency programs have not been audited on a recurring basis within acceptable audit timeframes and many contracts not audited at all, simply because manpower and resources were unavailable. To prevent fraud, waste, and gross mismanagement within GSA requires that a visible, active, and effective audit posture be maintained. This audit posture must be capable of assessing internal management deficiencies, inadequate systems of control, and defective contracts and contracting procedures on a recurring basis. The cycle for conducting such audits, as well as to maintain an effective program of audit followup, should coincide insofar as possible with management planning schedules of the agency.

The Inspector General's Office consists of an Office of Audits, an Of-

fice of Investigations, an Office of Inspection, and an Office of Special Projects.

Allowance and Office Staff for Former Presidents

1985 appropriation to date	$1,151,000
1986 budget estimate	1,208,000
House allowance	931,600
Committee recommendation	1,151,000

The Committee recommends the budget request of $1,151,000 for allowances and office staff for former Presidents. This recommendation is $219,400 more than the House-passed level, but is $57,000 less than the budget request.

The Committee has reduced this account to the fiscal year 1985 level. It agrees that in this time of tight budgets, fiscal restraint is necessary, however, that before the cuts made by the House should be enacted current law should be changed. The reductions should be applied appropriately to the accounts of each recipient.

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Richard M. Nixon, Gerald R. Ford, and Jimmy Carter, and for pensions and postal franking privileges for the widow of former President Lyndon B. Johnson.

Below is listed a detailed breakdown of the fiscal year 1986 budget request:

FORMER PRESIDENTS, FISCAL YEAR 1986

	Nixon	Ford	Carter	Jackson Place	Widows	Total
Personnel compensation	$96,000	$96,000	$96,000			$288,000
Personnel benefits	14,000	14,000	14,000			42,000
Pensions	86,200	86,200	86,200		20,000	278,600
Travel	31,000	31,000	24,000			86,000
Motor pool	1,000	1,000	2,000			4,000
Rents, utilities, communications:						
Equipment rental/depreciation	6,000	1,000	1,000			8,000
Telephone	28,000	60,000	33,000			121,000
Postage	8,000	12,000	12,000		3,000	35,000
SLUC	79,000	55,000	70,000	64,000		268,000
Printing	4,000	2,000	8,000			14,000
Other services	4,000	5,000	16,000			25,000
Supplies and materials	5,000	9,000	4,400			18,400
Equipment	14,000		6,000			20,000
Total appropriation	376,200	372,200	372,600	64,000	23,000	1,208,000

National Archives and Records Administration

Operating Expenses

1985 appropriation to date	$98,759,000
1986 budget estimate	99,549,000
House allowance	103,513,000
Committee recommendation	101,363,000

The Committee recommends an appropriation of $101,363,000, an increase of $1,814,000 above the fiscal year 1986 budget request but $2,150,000 below the House-passed total.

The National Archives and Records Administration became an independent agency on April 1, 1985. This is the first time it is included in this report as a freestanding account.

This appropriation provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, grants for historical publications, and for the review for declassification of all security classified information as it becomes 20 years old.

In 1986 records in the National Archives and Federal Records centers will total approximately 15.9 million cubic feet. The number of reference services expected to be provided will total 4.3 million cubic feet.

Both the Committee and the House have provided $4,000,000 to fund the grant program. No funding was requested in the budget for this program.

REPRODUCTION OF RECORDS

In recent years the issue is whether the Archives or a user agency should pay for reproduction costs. The Archives has insufficient funding to provide for any free reproduction for agencies. It should, therefore, be clarified that no funds are included in the Archive account for providing reproduction of records to Federal agencies. Agencies will be charged at cost in accordance with 44 United States Code 2112(c).

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

APPROPRIATION

1985 appropriation to date	$106,409,000
1986 budget estimate	102,481,000
House allowance	99,846,000
Committee recommendation	99,846,000

The Committee recommends a direct appropriation of $99,846,000 for the salaries and expenses of the Office of Personnel Management.

LIMITATION

(TRANSFER OF FUNDS)

1985 appropriation to date	($51,135,000)
1986 budget estimate	(54,202,000)
House allowance	(52,844,000)
Committee recommendation	(54,202,000)

The Committee recommends a limitation of $54,202,000, the full amount of the fiscal year 1986 budget request and the House level.

These funds would be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs.

The 1986 direct appropriation of $99,846,000 recommended by the Committee is to carry out the program responsibilities of the Office of

Personnel Management. These responsibilities include working with Federal agencies to assure the efficient and effective implementation of Federal personnel laws and regulations, assisting State and local governments in improving their personnel management systems, and supporting a number of other functions assigned to the OPM by law or Executive order.

The Office of Personnel Management is responsible for positive personnel management functions which include the following activities:

1. *Staffing services.* This activity consists of: (*a*) recruiting; (*b*) examining; (*c*) assuring suitability; and (*d*) developing classification standards.

2. *Compensation.* The OPM administers compensation and benefits programs for the Federal work force. These include: the Civil Service Retirement and Disability Fund, the Employees Life Insurance Fund, and the Retired Employees Health Benefits Fund.

3. *Work force effectiveness and development.* This activity includes: (*a*) Federal Productivity Program; (*b*) affirmative employment programs; (*c*) performance appraisal implementation; and (*d*) training assistance.

4. *Agency relations.* This activity includes: (*a*) personnel management evaluations; (*b*) agency classification reviews; and (*c*) work force information.

5. *Executive personnel.* This activity includes: (*a*) executive personnel oversight and guidance; (*b*) executive staffing and mobility; and (*c*) executive position management.

6. *Labor-management relations.* This activity consists of providing leadership in implementing the Federal Government's Labor-Management Relations Program.

7. *Other programs.* This activity includes: (*a*) administering the Voting Rights Act of 1965; (*b*) providing administrative support to the President's Commission on Executive Exchange and White House fellows; (*c*) carrying out provisions of the Ethics in Government Act of 1978; (*d*) evaluating the Civil Service Reform Act; (*e*) conducting research and demonstration projects; (*f*) supplying ADP services to external users on a reimbursable basis; and (*g*) providing executive direction and administrative support to OPM programs financed through other budgetary accounts on a reimbursable basis.

COMBINED FEDERAL CAMPAIGN

The Committee commends the Office of Personnel Management for its early decision to operate the 1985 Combined Federal Campaign under the same rules and procedures as those applicable to the 1984 campaign, as found in 49 FR 32735 (August 16, 1984). To avoid any disruption in the timely planning and orderly implementation of an effective 1985 fall campaign, the Office of Personnel Management is directed to operate the campaign accordingly, and to postpone making any changes to applicable regulations until completion of this year's Combined Federal Campaign.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

1985 appropriation to date	$1,341,553,000
1986 budget estimate	1,606,165,000
House allowance	1,606,165,000
Committee recommendation	1,606,165,000

The Committee recommends an appropriation of $1,606,165,000 for Government payments for annuitants, employees health benefits.

This appropriation funds the Government's share of health benefit costs for annuitants and survivors who no longer have an agency to contribute the Government's share. The Office of Personnel Management requests the appropriation necessary to pay this contribution to the Employees Health Benefits Fund and Retired Employees Health Benefits Fund. These trust revolving funds are available for: (1) the payment of subscription charges to approved carriers for the cost of health benefits protection; (2) contributions for qualified retired employees and survivors who carry private health insurance; and (3) the payment of expenses incurred by the Office of Personnel Management in the administration of these programs.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

1985 appropriation to date	$4,407,833,000
1986 budget estimate	4,407,234,000
House allowance	4,407,234,000
Committee recommendation	4,407,234,000

The Committee recommends an appropriation of $4,407,234,000 for payment to the Civil Service Retirement and Disability Fund.

The payment to the Civil Service Retirement and Disability Fund includes the appropriation and the permanent indefinite authorization required to provide for the contribution of the Government's share of retirement costs.

The Civil Service Retirement and Disability Fund was created to provide annuities for eligible employees who retire because of age and service or disability, and benefits to eligible survivors of employees who died in service or after retirement. In fiscal year 1986, membership in the civil service retirement system will consist of 2.7 million employees and about 2 million retired employees and survivors who will receive benefits totaling over $24,000,000,000 annually.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

1985 appropriation to date	$20,671,000
1986 budget estimate	20,907,000
House allowance	20,349,000
Committee recommendation	20,000,000

The Committee recommends an appropriation of $20,000,000 for the Merit Systems Protection Board.

LIMITATION

(TRANSFER OF FUNDS)

1985 appropriation to date	($1,200,000)
1986 budget estimate	(1,200,000)
House allowance	(1,200,000)
Committee recommendation	(1,200,000)

Created by Reorganization Plan No. 2 of 1978, the Merit Systems Protection Board assumed responsibility for the adjudicatory functions of the former Civil Service Commission. These functions include adverse action, reduction-in-force appeals, and retirement and overpayment appeals for the civil service trust funds. In support of this appeals program, the Board will report to the President on whether merit systems are sufficiently free from prohibited personnel practices to protect the public interest.

The Merit Systems Protection Board is responsible for implementing the provisions of sections 1201 through 1209 of the Civil Service Reform Act of 1978.

Specifically, the major functions of the Board, as detailed in the Reform Act, are to (1) hear, adjudicate, or provide for the hearing or adjudication of all matters within the jurisdiction of the Board; (2) order any Federal agency or employee to comply with any order or decision issued by the Board under its authority, and enforce compliance with any such order; (3) conduct, from time to time, special studies relating to the civil service and to other merit systems in the executive branch, and report to the President and to the Congress as to whether the public interest in a civil service free of prohibited personnel practices is being adequately protected; and (4) review, under its authority, rules and regulations of the Office of Personnel Management.

OFFICE OF SPECIAL COUNSEL

1985 appropriation to date	$4,627,000
1986 budget estimate	4,724,000
House allowance	4,594,000
Committee recommendation	4,200,000

The Committee recommends an appropriation of $4,200,000 for the Office of Special Counsel.

Reorganization Plan No. 2 of 1978 established the Office of the Special Counsel, Merit Systems Protection Board. The Special Counsel is empowered to investigate prohibited personnel practices in Federal agencies and political activities prohibited by the Hatch Act by Federal, State, and local employees and to administratively prosecute offending employees and agencies before the Board. The Special Counsel may also transmit "whistleblower" allegations to the agency head concerned and require an agency investigation and a report thereon to the Congress and the President when found appropriate.

FEDERAL LABOR RELATIONS AUTHORITY

1985 appropriation to date	$17,364,000
1986 budget estimate	17,613,000
House allowance	17,364,000
Committee recommendation	17,064,000

The Committee recommends an appropriation of $17,064,000 for the Federal Labor Relations Authority.

The purpose of the Authority is to serve as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations Statute, and decide major policy issues, prescribe regulations, and disseminate information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the Federal Labor Relations Authority gives full recognition to the role of the Federal Government as an employer.

1. *Adjudication.* The Authority adjudicates labor-management disputes in the Federal sector including: appeals on negotiability issues; exceptions to arbitration awards; appropriate units for the purposes of exclusive recognition; eligibility of labor organizations for national consultation rights and unfair labor practice complaints.

2. *Hearings.* This activity provides for holding hearings on unfair labor practice complaints, issuing reports, and making recommendations to the Authority on each case to allow timely settlement of disputes arising between agencies and unions.

3. *Office of the General Counsel.* As the investigative and prosecutional activity of the Authority, this function includes: supervision of elections to determine exclusive recognition and certification of results; investigation of questions of representation and unfair labor practice charges; and prosecution of unfair labor practice complaints, and review of appeals of dismissals of unfair labor practice charges.

U.S. TAX COURT

SALARIES AND EXPENSES

1985 appropriation to date	$22,694,000
1986 budget estimate	24,556,000
House allowance	24,556,000
Committee recommendation	24,556,000

The Committee recommends an appropriation of $24,556,000 for the U.S. Tax Court.

The U.S. Tax Court is an independent judicial body, the membership of which is composed of a chief judge and 18 judges. The Tax Reform Act of 1969 changed the status of the Court from an independent agency in the executive branch to a court of record under article I of the Constitution of the United States.

Decisions by the Court are reviewable by the U.S. courts of appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases assigned to them by the

chief judge. During fiscal year 1986, 6 senior judges and 17 special trial judges will be serving on the Court.

The Court conducts trial sessions throughout the United States, including Hawaii and Alaska.

STATEMENT CONCERNING GENERAL PROVISIONS

This bill carries a number of general provisions, some of which are routine and have been carried for a number of years, and some are proposed for the first time this year.

Those general provisions that deal with a single agency only are shown immediately following that agency's appropriation in the accompanying bill. Others that deal with all of the agencies provided for in this bill are shown under title V, and those general provisions that are governmentwide in scope are shown under title VI of the accompanying bill.

The Committee has continued all the general provisions contained in the 1980 Appropriations Act except the Sense of the Congress Resolution about the proceeds of the sale of former President Nixon's San Clemente residence.

In fiscal years 1981, 1982, 1983, 1984, and 1985 there was no separate Treasury, Postal Service and General Government Appropriation Act. Funding was provided under a series of continuing resolutions. In these resolutions, the general provisions carried in the 1980 Appropriation Act (Public Law 96–74) are continued.

TITLE V—GENERAL PROVISIONS

This Act

The Committee has recommended retaining all of the general provisions in title V, except sections 510 and 513 of the House bill. All of the sections retained were contained in the fiscal year 1985 bill. The two sections struck pertained to closure of a General Services Administration office in Sacramento, CA, and a ban on publishing regulations by the Office of Personnel Management pertaining to merit pay and reduction-in-force proposals.

TITLE VI—GENERAL PROVISIONS

Departments, Agencies, and Corporations

The Committee has included all of the sections maintained in the fiscal year 1985 bill in this title. The Committee struck three sections included in the House bill pertaining to production and distribution of the "White House News Summary;" a prohibition on consolidation or closure of Customs Service facilities; and language to reduce all accounts in the bill except the Federal Law Enforcement Training Center, the Bureau of Alcohol, Tobacco and Firearms, the U.S. Customs Service, the U.S. Secret Service, the Internal Revenue Service, U.S. Postal Service, and compensation of the President.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions, not heretofore carried in this exact form in connection with any appropriations bill, are recommended:

Compliance With Paragraph 7 of Rule XVI of the Standing Rules of the Senate

The Committee submits the following statement in compliance with paragraph 7 of rule XVI of the Standing Rules of the Senate, which requires the Committee to identify "each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The bill provides, in some instances, for funding of agencies and activities where legislation has not yet been finalized (U.S. Customs Service, Bureau of the Mint, Federal Election Commission, and projects funded from the Federal Buildings Fund). In addition, the bill carries language in some instances permitting activities not authorized by law or exempting agencies from certain provisions of law, but which has been carried as part of this appropriations bill for a number of years.

Compliance With Paragraph 12, Rule XXVI of the Standing Rules of the Senate

Paragraph 12 of Rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute, include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

The Committee recommends language that *the Federal Building at 1200 Pennsylvania Avenue, NW, Washington, DC, headquarters of the Bureau of Alcohol, Tobacco and Firearms, shall hereafter be known and designated as the Ariel Rios Federal Building. Any reference to this building in any law, regulation, document, record, or other paper of the United States shall be deemed to be a reference to such building as the Ariel Rios Federal Building.*

The Committee further recommends provisions which amend section 616 of H.R. 5798 referenced in section 101(j) of Public Law 98–473 as follows:

SEC. [616] *613*(a)*(1)*. Notwithstanding any other provision of law, no part of any of the funds appropriated for the fiscal years ending September 30, [1985] *1986*, or September 30, [1986] *1987*, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title[—

(1) during the period from the date of expiration of the limitation imposed by section 616(a)(2) of H.R. 4139, incorporated by reference in section 101(f) of Public Law 98–151, until the first day of the first applicable pay period that begins not less than ninety days after that date, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 616(a)(2); and

(2) during the period consisting of the remainder, if any, of the fiscal year ending September 30, 1985, and that portion of the fiscal year ending September 30, 1986, that precedes the normal effective date of the applicable wage survey adjustment that is to be effective in the fiscal year ending September 30, 1986, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) of this subsection by more than the overall average percentage of the adjustment in the General Schedule during the fiscal year ending September 30, 1985.], *on or after the applicable date the limitation imposed by section 616(a)(2) of H.R. 5798, incorporated by reference in section 101(j) of Public Law 98–473, ceases to apply, at a rate that differs from the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 616(a)(2), except as provided under paragraph (2) of this subsection.*

(2) The Office of Personnel Management shall provide for any necessary adjustments of wage schedules and rates for the period covered by paragraph (1) of this subsection for employees subject to paragraph (1) so as to ensure that—

(A) such wage schedules and rates are adjusted upwards or downwards, as the case may be, by an average percentage amount consistent with any adjustment taking effect for the General Schedule under section 5305 of title 5, United States Code, or other provision of law during such period; and

(B) any such adjustment takes effect in each affected wage area at a time that bears the same relationship to the normal effective date of wage adjustments in that wage area that the effective date of the General Schedule adjustment bears to the effective date specified in section 5305(a)(2) of title 5, United States Code.

(b) Notwithstanding the provisions of section 9(b) of Public Law 92–392 or section 704(b) of Public Law 95–454, the provisions of subsection (a) of this section shall apply (in such manner as the Office of Personnel Management shall prescribe) to any prevailing rate employee to whom such section 9(b) applies, except that the provisions of subsection (a) may not apply to any increase in a wage schedule or rate

that is required by the terms of a contract entered into before the date of enactment of this Act.

(c) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, may be paid during the period for which subsection (a) of this section is in effect at a rate that exceeds the rate that would be payable under subsection (a) were subsection (a) applicable to such employee.

(d) For the purpose of this section, the rates payable to any employees who [is] *are* covered by this section and who [is] *are* paid from a schedule that was not in existence on September 30, [1984] *1985*, shall be determined under regulations prescribed by the President.

(e) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section shall not be changed from the rates in effect on September 30, 1985, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

[(e)] *(f)* The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, [1984] *1985*.

[(f)] *(g)* For the purpose of administering any provision of law, rule, or regulation that provides premium pay, retirement, life insurance, or any other employee benefit, that requires any deduction or contribution, or that imposes any requirement or limitation, on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

[(g) Notwithstanding the limitations imposed on prevailing rate pay pursuant to subsection (a) of this section, such limitations shall not apply to wage adjustments for prevailing rate supervisors provided by the supervisory pay plan published in the Federal Register on March 30, 1983 (48 Fed. Reg. 13384).

(h) Notwithstanding the delay in adjustments of wage schedules and rates imposed as a part of the limitation imposed by this section, if the adjustment in General Schedule rates of pay for the fiscal year ending September 30, 1985, takes effect in October 1984, the adjustments in rates and schedules limited by this section shall take effect on the date they would have taken effect under section 5344 of title 5, United States Code, were it not for this section.]

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1986: Subcommittee on Treasury Postal Service	NA	12,990	NA	[1] 13,002
Projections of outlays associated with budget authority recommended in the bill:				
1986				[2] 12,109
1987				833
1988				79
1989				23
1990 and future year				
Financial assistance to State and local governments for 1986 in the bill				

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.
NA: Not applicable

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1985 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1986

[Amounts in dollars]

Item	1985 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -)		
					1985 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TITLE I - DEPARTMENT OF THE TREASURY							
Office of the Secretary	56,162,000	78,699,000	54,274,000	76,400,000	+20,238,000	-2,299,000	+22,126,000
International affairs	22,768,000	---	22,442,000	---	-22,768,000	---	-22,442,000
Federal Law Enforcement Training Center	18,341,000	17,803,000	25,500,000	23,803,000	+5,462,000	+6,000,000	-1,697,000
Financial Management Service:							
Salaries and expenses	246,251,000	246,902,000	244,621,000	244,621,000	-1,630,000	-2,281,000	---
Bureau of Alcohol, Tobacco, and Firearms	172,113,000	173,725,000	174,212,000	178,825,000	+6,712,000	+5,100,000	+4,613,000
United States Customs Service:							
Salaries and expenses	669,734,000	656,702,000	725,000,000	709,000,000	+39,266,000	+52,298,000	-16,000,000
Operations and maintenance, air interdiction program	55,425,000	60,425,000	60,425,000	75,000,000	+19,575,000	+14,575,000	+14,575,000
Subtotal, Customs operating accounts	725,159,000	717,127,000	785,425,000	784,000,000	+58,841,000	+66,873,000	-1,425,000
Customs forfeiture fund (limitation on availability of deposits)	6,000,000	8,000,000	(8,000,000)	8,000,000	+2,000,000	---	+8,000,000
Customs services at small airports	42,000	75,000	---	75,000	+33,000	---	+75,000
Total, United States Customs Service	731,201,000	725,202,000	785,425,000	792,075,000	+60,874,000	+66,873,000	+6,650,000
Bureau of the Mint	47,671,000	47,942,000	46,954,000	46,500,000	-1,171,000	-1,442,000	-454,000
Bureau of the Public Debt	198,752,000	199,215,000	197,225,000	195,225,000	-3,527,000	-3,990,000	-2,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1985 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1986—Continued

[Amounts in dollars]

Item	1985 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -)		
					1985 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Internal Revenue Service:							
Salaries and expenses	106,310,000	98,811,000	95,932,000	94,000,000	-12,310,000	-4,811,000	-1,932,000
Processing tax returns	996,060,000	1,019,391,000	1,103,041,000	1,005,000,000	+8,940,000	-14,391,000	-98,041,000
Examinations and appeals	1,380,486,000	1,419,451,000	1,425,902,000	1,400,000,000	+19,514,000	-19,451,000	-25,902,000
Investigations, collections and taxpayer service	1,091,741,000	1,073,679,000	1,064,325,000	1,055,000,000	-36,741,000	-18,679,000	-9,325,000
Subtotal, IRS operating accounts	3,574,597,000	3,611,332,000	3,689,200,000	3,554,000,000	-20,597,000	-57,332,000	-135,200,000
Payment where energy credit exceeds liability for tax	100,000	---	---	---	-100,000	---	---
Federal tax lien revolving fund	9,000,000	---	---	---	-9,000,000	---	---
Total, Internal Revenue Service	3,583,697,000	3,611,332,000	3,689,200,000	3,554,000,000	-29,697,000	-57,332,000	-135,200,000
United States Secret Service	292,649,000	290,340,000	283,805,000	298,805,000	+6,156,000	+8,465,000	+15,000,000
Total, title I, new budget (obligational) authority, Department of the Treasury	5,369,605,000	5,391,160,000	5,523,658,000	5,410,254,000	+40,649,000	+19,094,000	-113,404,000
TITLE II - UNITED STATES POSTAL SERVICE							
Payment to the Postal Service Fund	1,209,129,000	39,128,000	961,121,000	801,000,000	-408,129,000	+761,872,000	-160,121,000
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT							
Compensation of the President	250,000	250,000	250,000	250,000	---	---	---

Office of Administration	16,240,000	15,794,000	15,597,000	15,597,000	-643,000	-197,000	---
The White House Office	25,189,000	25,499,000	24,906,000	24,906,000	-283,000	-593,000	---
Executive Residence at the White House	4,658,000	4,719,000	4,577,000	4,577,000	-81,000	-142,000	---
Official Residence of the Vice President	219,000	204,000	204,000	204,000	-15,000	---	---
Special Assistance to the President	1,676,000	1,694,000	1,659,000	1,794,000	+118,000	+100,000	+135,000
Council of Economic Advisers	2,560,000	2,381,000	2,301,000	2,301,000	-259,000	-80,000	---
Office of Policy Development	3,020,000	2,828,000	2,726,000	2,726,000	-294,000	-102,000	---
National Security Council	4,605,000	4,748,000	4,627,000	4,627,000	+22,000	-121,000	---
National Critical Materials Council	200,000	---	500,000	250,000	+50,000	+250,000	-250,000
Office of Management and Budget	38,852,000	39,420,000	37,689,000	36,909,000	-1,943,000	-2,511,000	-780,000
Office of Federal Procurement Policy	1,630,000	1,656,000	1,611,000	1,611,000	-19,000	-45,000	---
Unanticipated Needs	1,000,000	1,000,000	1,000,000	1,000,000	---	---	---
Total, title III, new budget (obligational) authority, Executive Office of the President	100,099,000	100,193,000	97,647,000	96,752,000	-3,347,000	-3,441,000	-895,000
TITLE IV - INDEPENDENT AGENCIES							
Administrative Conference of the United States	1,480,000	1,484,000	1,450,000	1,430,000	-50,000	-54,000	-20,000
Advisory Commission on Intergovernmental Relations	2,148,000	2,110,000	2,058,000	2,041,000	-107,000	-69,000	-17,000
Advisory Committee on Federal Pay	220,000	222,000	219,000	210,000	-10,000	-12,000	-9,000
Commission on Executive, Legislative and Judicial salaries	160,000	---	---	---	-160,000	---	---
Committee for Purchase from the Blind and Other Severly Handicapped	710,000	749,000	730,000	730,000	+20,000	-19,000	---
Federal Election Commission	13,016,000	12,756,000	12,433,000	12,433,000	-583,000	-323,000	---
General Services Administration:							
Federal Buildings Fund:							
Appropriation	348,000	---	---	7,000,000	+6,652,000	+7,000,000	+7,000,000
Limitation on availability of revenue:							
1. Construction & acquisition of facilities	(150,141,000)	(243,419,000)	(198,444,000)	(243,419,000)	(+93,278,000)	---	(+44,975,000)
2. Repairs and alterations	(221,809,000)	(264,096,000)	(269,096,000)	(269,096,000)	(+47,287,000)	(+5,000,000)	---
3. Purchase contract payments	(178,911,000)	(135,100,000)	(135,100,000)	(135,100,000)	(-43,811,000)	---	---
4. Rental of space	(865,000,000)	(866,000,000)	(866,000,000)	(866,000,000)	(+1,000,000)	---	---
5. Real property operations	(689,899,000)	(710,557,000)	(709,678,000)	(709,678,000)	(+19,779,000)	(-879,000)	---
6. Program direction	(118,309,000)	(55,689,000)	(55,481,000)	(55,481,000)	(-63,028,000)	(-208,000)	---
7. Design and construction services	(59,596,000)	(123,094,000)	(123,094,000)	(133,227,000)	(+73,631,000)	(+10,133,000)	(+10,133,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1985 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1986—Continued

[Amounts in dollars]

Item	1985 Appropriation	Budget estimate[1]	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or −)		
					1985 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Real property activities	-2,000,000	---	---	---	+2,000,000	---	---
Program direction	-1,204,000	---	---	---	+1,204,000	---	---
Total, Federal Buildings Fund: (Limitations)	(2,283,865,000)	(2,397,955,000)	(2,356,893,000)	(2,412,001,000)	(+128,136,000)	(+14,046,000)	(+55,108,000)
Operating expenses, personal property	160,700,000	164,610,000	164,257,000	163,257,000	+2,557,000	-1,353,000	-1,000,000
By transfer	(2,200,000)	---	---	---	(-2,200,000)	---	---
General supply fund, personal property	-30,848,000	---	---	---	+30,848,000	---	---
Federal Property Resources Activities:							
Operating expenses	38,921,000	40,808,000	40,748,000	40,000,000	+1,079,000	-808,000	-748,000
Expenses, disposal of surplus real and related property	-1,832,000	---	---	---	+1,832,000	---	---
National defense stockpile transaction fund (Limitation on availability of revenue)	(185,000,000)	---	10,000,000	---	(-185,000,000)	---	(-10,000,000)
Total, Federal Property Resources Activities	37,089,000	40,808,000	50,748,000	40,000,000	+2,911,000	-808,000	-748,000
General Activities:							
General Management and Administration Salaries and Expenses	136,597,000	123,598,000	124,310,000	124,310,000	-12,287,000	+712,000	---
By transfer	(2,200,000)	---	---	---	(-2,200,000)	---	---
Office of Information Resources Management Operating Expenses	33,348,000	30,723,000	30,630,000	30,000,000	-3,348,000	-723,000	-630,000

Federal telecommunications fund	-415,000	---	---	---	+415,000	---	---
Automatic data processing fund	-145,000	---	---	---	+145,000	---	---
Office of the Inspector General	21,438,000	19,369,000	19,305,000	19,305,000	-2,133,000	-64,000	---
Allowances and Office Staff for Former Presidents	1,151,000	1,208,000	931,600	1,151,000	---	-57,000	+219,400
Expenses: presidential transition	3,000,000	---	---	---	-3,000,000	---	---
Working capital fund	-8,000	---	---	---	+8,000	---	---
Total, General Activities	194,966,000	174,898,000	175,176,600	174,766,000	-20,200,000	-132,000	-410,600
Total, General Services Administration	359,051,000	380,316,000	390,181,600	385,023,000	+25,972,000	+4,707,000	+4,841,400
National Archives and Records Service:							
Operating Expenses	98,759,000	99,549,000	103,513,000	101,363,000	+2,604,000	+1,814,000	-2,150,000
Federal Personnel Activities							
Office of Personnel Management:							
Salaries and expenses:							
Appropriation	106,409,000	102,481,000	99,846,000	99,846,000	-6,563,000	-2,635,000	---
Limitation	(51,135,000)	(54,202,000)	(52,844,000)	(54,702,000)	(+3,067,000)	---	(+1,358,000)
Government payment for annuitants, employees health benefits	1,341,553,000	1,606,165,000	1,606,165,000	1,606,165,000	+264,612,000	---	---
Payment to civil service retirement and disability fund	4,407,833,000	4,407,234,000	4,407,234,000	4,407,234,000	-599,000	---	---
Total, Office of Personnel Management	5,855,795,000	6,115,880,000	6,113,245,000	6,113,245,000	+257,450,000	-2,635,000	---
Merit Systems Protection Board:							
Salaries and expenses	20,671,000	20,907,000	20,349,000	20,000,000	-671,000	-907,000	-349,000
Limitation	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	---	---	---
Office of special counsel	4,627,000	4,724,000	4,594,000	4,200,000	-427,000	-524,000	-394,000
Total, Merit Systems Protection Board	25,298,000	25,631,000	24,943,000	24,200,000	-1,098,000	-1,431,000	-743,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1985 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1986—Continued

[Amounts in dollars]

Item	1985 Appropriation	Budget estimate [1]	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -)		
					1985 Appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Federal Labor Relations Authority	17,364,000	17,613,000	17,364,000	17,064,000	-300,000	-549,000	-300,000
Total, federal personnel activities	5,898,457,000	6,159,124,000	6,155,552,000	6,154,509,000	+256,052,000	-4,615,000	-1,043,000
United States Tax Court: Salaries and Expenses	22,694,000	24,556,000	24,556,000	24,556,000	+1,862,000	---	---
Total, title IV, new budget (obligational) authority, independent agencies	6,396,695,000	6,680,866,000	6,690,692,600	6,682,295,000	+285,600,000	+1,429,000	+1,602,400
General Provision							
General reduction	---	---	-35,250,475	---	---	---	+35,250,475
Grand total:							
New budget (obligational) authority	13,075,528,000	12,211,347,000	13,237,868,125	12,990,301,000	-85,227,000	+778,954,000	-237,567,125
(Limitations)	(2,336,200,000)	(2,453,357,000)	(2,420,937,000)	(2,467,403,000)	(+131,203,000)	(+14,046,000)	(+56,466,000)

1/ These figures reflect the President's amended budget request. This request restore funds for personnel cost which were reduced by 5 percent in the original budget submission.